



U.S. DEPARTMENT OF ENERGY



**OFFICE OF AVIATION
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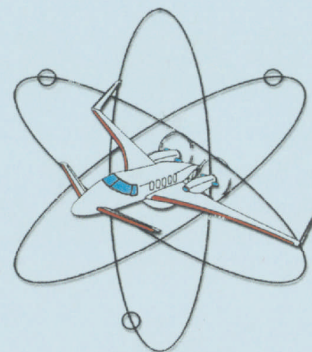
**COMPREHENSIVE
AVIATION PROGRAM
STUDY (CAPS)**



PHASE TWO



AUGUST 6, 2001



U.S. DEPARTMENT OF ENERGY
OFFICE OF AVIATION MANAGEMENT

**COMPREHENSIVE AVIATION PROGRAM
STUDY (CAPS)**

**PHASE TWO
FINAL REPORT**

AUGUST 6, 2001

Executive Summary

The Department of Energy (DOE) conducted the Comprehensive Aviation Program Study (CAPS) to characterize its aviation missions and assess the cost-effectiveness of the aviation services provided to the operating programs. The study was divided into two separate efforts; each was headed by a member of the Office of Aviation Management (OAM). The CAPS I team determined the extent of required aviation activity and validated the types of aviation operations required to support the missions of DOE programs using aviation resources. The CAPS II team conducted a cost analysis of the DOE's aviation services to determine the types of aviation assets or services required to carry out its missions. This report documents the results of the CAPS II study.

This study included the entire DOE complex and examined all aviation services. However, the use of scheduled commercial airline and charter aircraft services was excluded. CAPS II examined the aircraft operations at the Albuquerque (AL), Nevada (NV), and Savannah River (SR) Operations Offices as well as the Pacific Northwest National Laboratory (PNNL) to assess fleet utility and mission effectiveness. CAPS II incorporates by reference the previously published Office of Management and Budget (OMB) Circular A-76 Study completed by the Western Area Power Administration (Western). The study does not include the Bonneville Power Administration (BPA) since it intends to perform a separate aircraft A-76 Study as directed by OMB.

At each location, the CAPS II team answered these questions:

- 1. Can the present aircraft effectively and economically meet mission requirements? If not, what aircraft should be used?***
- 2. Are the aviation costs appropriate? If not, what are management's options to reduce costs.***

The results of the CAPS II study are summarized in Table E-1.

Albuquerque

The AL aircraft fleet consists of two Douglas DC-9s, a Gulfstream III (G-III), a Beechcraft King Air B-200C, a Lear 35, and two DeHavilland DHC-6s. The DHC-6s were found to be adequate for their scientific research missions. However, the primary AL aviation mission to support its Transportation Safeguards Division (TSD) is currently escalating significantly, resulting in a sustained increase in the level of service required. AL should retain the current fleet, except for the B-200C, and add an additional heavy transport aircraft and a cargo capable light jet aircraft in order to meet the TSD's future needs for the weapons surety and emergency response missions.

The mission of the Lear 35 will increase due to additional movement of Life Limited Components (LLCs) and support for quality of life missions for TSD courier units. Historically, the Lear 35 has been heavily in demand; the B-200C has been used as a backup aircraft. However, the B-200C is an inadequate substitute on trips beyond 600 miles or where time is a constraint. The range, load capacity, and speed of the B-200C make it inefficient for present and future missions, and CAPS II recommends transferring the B-200C to NV and modifying it to support the Remote Sensing Laboratory (RSL) mission. AL needs an additional aircraft with the Lear capability. CAPS II believes that for standardization of crew requirements, training, maintenance, and parts support, the purchase of another Lear 35 with a cargo door is the appropriate choice. The estimated purchase price of a used Lear 35 is \$3,425,000.

The mission for the heavy lift DC-9 aircraft will increase beginning in 2001 to support an increase in LLC movements and an increase in the number of TSD courier units from four to six. The increase in flight requirements will result in a short fall requiring one additional aircraft of the DC-9's size to meet this need. To standardize the fleet, thus reducing training and maintenance costs, CAPS II recommends purchasing a DC-9-30 series aircraft in FY 2002 for an estimated cost of \$4,000,000. Due to the lead time necessary to fund such a purchase, a lease or lease/purchase arrangement may be necessary in the near future to meet the mission need.

Assuming the General Services Administration (GSA) approves an exchange sale, the cost for acquiring these two additional aircraft would be largely offset by the sale of the NV B-200, BO-105s, and Cessna Citation (See NV Section). This exchange sale will net an estimated \$6,635,000 to offset the estimated purchase price of \$7,425,000 for a DC-9-30 series aircraft and a Lear 35. Thus, the cost to taxpayers to purchase the two aircraft will only be approximately \$790,000.

CAPS II reviewed the AL aviation-related costs and identified a number of problems with how costs were reported. Several options to lower costs were evaluated and the CAPS II team recommends contract reform with fleet modernization as the best method to lower costs. However, if contract reform fails to lower costs, conversion to a Federal workforce would be advantageous to both DOE and the taxpayer.

Nevada

Since the completion of the CAPS II draft report for NV, the cognizant Program Office (SO-40) for RSL has made program decisions affecting the results of the NV study so that the original recommendations are no longer valid. As a result, a Preface has been added to the NV section of this report to reflect the change in programmatic direction.

The NV aircraft fleet supporting the RSL consists of two Bell-412 and four BO-105 helicopters, two Beech King Air B-200s, and one Cessna Citation II aircraft. The NV fleet mix does not adequately support the current mission. The BO-105 helicopters are no longer in the active fleet, and the Cessna only flew 150 hours last year, primarily for agencies other than DOE. To

improve mission support, standardize the fleet, and reduce costs, the CAPS II team recommends that the BO-105 helicopters, the Cessna Citation, and one B-200 be sold in an exchange sale through the GSA. The money received from the sale of these aircraft should be applied toward the purchase of aircraft needed to upgrade the AL fleet. Since only one of the NV B-200 aircraft is modified to carry the sensors for the present RSL mission, they are not used equally. Another B-200 should be modified to provide additional capability. However, rather than modifying the existing NV aircraft, CAPS II recommends that the AL B-200C aircraft be transferred to NV and modified to carry sensors. The AL B-200 is no longer adequate to support the increasing AL mission. However, it contains a cargo door that the NV aircraft does not have which will allow easier and faster sensor installation and greater mission flexibility. When this recommendation is complete, NV will have two modified B-200 aircraft for the present RSL sensor missions. The third, unmodified NV B-200 should be sold.

A comparison of NV aircraft operating costs with average industry costs for similar operations shows that NV has high overhead costs. NV has made a concerted effort to lower its overhead costs and has modified its cost accounting and reporting procedures to comply with the GSA requirements for reporting aircraft costs. However, the CAPS II Team believes that NV needs to make more progress in lowering its operating costs.

Savannah River

The DOE -owned fleet at SR consists of two Eurocopter BK-117 helicopters used primarily for a security mission, and secondarily for an environmental management mission. The security mission is mandated by the classified Site Safeguard and Security Plan. Analysis of SR flight operations shows the BK-117 helicopters have sufficient capability to meet all security mission requirements. The CAPS II team analyzed several options to meet the SR mission. A life cycle cost analysis indicated that the present fleet of BK-117s could be operated for \$2,000,000 less than the other options. Therefore, CAPS II recommends maintaining the current fleet.

The cost analysis of the SR aviation operation showed sound cost collection procedures. However, costs could not be applied to individual aircraft, and errors were found in the cost reports sent to DOE and GSA. After CAPS II-applied accounting corrections, the costs of operating the SR aircraft compared favorably to commercial operations. SR is in the process of implementing the new aviation accounting and reporting standards required by GSA. When these reforms are implemented by the end of FY 2001, SR will have eliminated its accounting and reporting problems. No further action is needed.

Pacific Northwest National Laboratory

PNNL operates a Gulfstream I (G-I) aircraft owned by the Management and Operating (M&O) contractor, Battelle Memorial Institute. The aircraft is used for missions related to atmospheric chemistry and is heavily modified for sensors. After review of PNNL aircraft operations and associated costs, the CAPS II team believes the G-I is the best choice for the PNNL program and

its reported costs are accurate. PNNL should ensure that the GSA aviation accounting and reporting standards are implemented. No further recommendations are made for PNNL.

Western Area Power Administration

The aircraft fleet owned and operated by Western consists of two Bell 206s and one Bell 407 helicopter for powerline patrol, maintenance, and emergency response to power outages. Western conducted an A-76 Study, approved in 1998, and has implemented the study recommendations by reducing its fleet from five to three helicopters. The CAPS II Team agrees with the A-76 Study and makes no further recommendations. This study and the analysis of Western's operations re-validate the existing A-76 Study and extend its life until 2012 or until Western's management chooses to restudy its aviation program, whichever comes first.

Table E-1 CAPS II Executive Summary

| Aviation Services Unit | Cost Effectiveness Assessment | Assigned Fleet | CAPS II Disposition Recommendations | CAPS II Acquisition Recommendations |
|--|---|-----------------------------|---|--|
| Nevada (NV) Operations Office | Need more progress in lowering overhead costs | Bell-412 (2 each) | | |
| | | BO-105 (4 each) | Sell | |
| | | B-200 (RSL modified) | | |
| | | B-200 (unmodified) | Sell | Replace with cargo door version from AL and modify for RSL mission |
| | | Cessna Citation II | Sell | |
| Albuquerque (AL) Operations Office | Need contract reform and fleet modernization | DC-9 (2 each) | | Buy additional DC-9-30 Series |
| | | B-200C (with cargo door) | Transfer to NV and modify for RSL mission | |
| | | Lear 35 | | Buy additional Lear 35 |
| | | De Havilland DHC-6 (2 each) | | |
| Savannah River (SR) Operations Office | Need continued progress in cost reform. Implement GSA aviation accounting and reporting standards | Eurocopter BK-117 (2 each) | | |
| Pacific Northwest National Laboratory (PNNL) | Need to ensure implementation of GSA aviation accounting and reporting standards | Gulfstream I | | |
| Western Power Administration (Western) | Need to ensure implementation of GSA aviation accounting and reporting standards | Bell 206 (2 each) | | |
| | | Bell 407 | | |
| Bonneville Power Administration (BPA) | Need to ensure implementation of GSA aviation accounting and reporting standards | Bell 206 (5 each) | | |
| | | B-200B (2 each) | | |

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Introduction

The DOE conducted CAPS to identify its aviation missions and evaluate the cost-effectiveness of the aviation services provided to the operating programs. According to the OMB and the GSA, this is the first time a Federal department has performed an agency-wide study of its aircraft services that includes an OMB Circular A-76 analysis and life cycle cost analysis.

Specifically, the purpose of CAPS was to:

- Identify, quantify, and validate the aviation mission activity necessary to support the operating programs.
- Determine DOE's current aviation activity, including that of its contractors, and measure its actual cost to the taxpayer.
- Project the amount and future cost of aviation services for the study period, fiscal year (FY) 2002–2011.
- Identify and quantify reasonable alternatives, in terms of fleet aircraft mix, management structure, and fiscal accountability, to achieve the mission, then recommend the most effective and efficient alternative to management.

The CAPS Study was divided into two separate efforts; each was headed by a member of OAM. The CAPS I team determined the extent of needed aviation activity and validated the types of aviation operations required to support the missions of the programs using aviation resources. The CAPS II team conducted a cost analysis of the DOE's aviation services to determine the types of aviation assets or services required to carry out its missions. This report documents the results of the CAPS II review.

Scope

The CAPS II review included the entire DOE complex¹ and examined all aviation services, whether purchased as turnkey services from a vendor or generated internally using Government-owned aircraft. It excludes the use of scheduled commercial airline service such as American Airlines, United Airlines, etc. Fleet aircraft operations under the operational control of the NV, AL, and SR Operations Offices were examined in detail for their utility and cost effectiveness in performing their present missions. In addition, the team examined the PNNL's use of

¹ The BPA was scheduled to complete its own study of its fleet. Since the BPA flight activities only affect BPA's limited mission, the results of its study findings are not expected to affect this report or vice versa.

contractor-owned and -operated aircraft and reviewed the previously published OMB A-76 Study² completed by Western.

Although several offices within the DOE complex use charter aircraft, including Headquarters, Operations Offices, and Power Marketing Administrations (PMAs), CAPS II did not include charter operations in the study. All charter and aircraft service contracts are procured through open market competitions. These transactions are for one-time or short-term use of an aircraft, not long-term operation or maintenance contracts. When the services provided by these charter aircraft are competing with DOE fleet aircraft for the same flight(s), DOE performs a flight-by-flight cost analysis to ensure the most cost-effective choice is made. This process is described in the DOE Aviation Implementation Guide (Draft),³ dated July 1996 and is consistent with the mandates of OMB Circular A-126 and 41 CFR 101-37. In addition, the charter and contract flight operations historically comprise less than 5 percent of DOE flight costs. For these reasons, the CAPS II team concluded that no material gain or increased efficiency was likely by changing the present practices, and so charter operations were not included in the study.

Likewise, foreign charter aircraft were excluded from the study. DOE and its operating contractors charter foreign aircraft when scheduled commercial service is not available to fulfill mission needs or is not satisfactory for reasons of safety or utility.⁴ Foreign charter carriers are assessed by OAM on the same basis as domestic charter carriers, and procurement competition is sought in the open market. These processes result in the most cost effective service to DOE so foreign charter services were also excluded.

To improve the safety, surety, and ease of procurement for charter operations, OAM plans to implement a database reference system that lists approved aircraft service providers. Its implementation is planned for FY 2001.⁵

² Aviation Services Study - A-76, Western, June 1998.

³ The DOE Aviation Implementation Guide was published in draft during July 1996. Although the Guide has been in use throughout the Department as a procedures document, it has no formal status.

⁴ Foreign country carriers that do not meet the standards for approval under the Federal Aviation Administration (FAA) International Aviation Safety Assessment Program are not satisfactory for DOE use.

⁵ OAM plans to establish and maintain a database of approved aircraft service providers who meet the DOE standards for transportation and for special mission operations. The information in the database will include those vendors who have successfully provided service to DOE as well as those who have been determined to meet the strict standards of safety and operational competence required by DOE.

Methodology

The study team traveled throughout the DOE complex and interviewed contract managers, aircraft pilots, mechanics, administrative staffs, finance specialists, scientists, researchers, engineers, and other related professionals. The CAPS II team also interviewed fleet aircraft managers, their customer organizations, and Headquarters program managers to gather information. This process was complicated by the reorganization of DOE into traditional organizational functions and the creation of the National Nuclear Security Administration (NNSA). This reorganization occurred during the data gathering and analysis portions of the study. Adjustments were needed to incorporate the differences in management philosophy and program projections under the NNSA managers.

The CAPS II team examined, in detail, records and reports relating to aircraft use, accounting practices, planning and budgeting, and cost. The team used the flight mission information provided by CAPS I to quantify DOE's prior aircraft use and project its future utilization. The team also conducted extensive research into alternative means of acquiring needed aviation services.

All aircraft costs gathered by the CAPS II team were first segregated by aircraft. They were then rolled-up into the Government-wide Federal Aviation Interactive Reporting System (FAIRS) aircraft cost categories as defined in the FAIRS instructions. Regulations mandate that all Government agencies use FAIRS. These categories are also recommended by GSA in the "Aircraft Cost Accounting Guide."

The CAPS II team spent a significant amount of time in identifying programmatic costs that had been mistakenly included in the reported aircraft operations costs. For instance, specific sensor installation modifications to an aircraft airframe were included in aircraft operation costs rather than reported as programmatic costs. The intent in segregating these programmatic costs from the aviation program costs was to develop 'pure' aircraft costs that could be compared to similar aviation costs in the private sector, the military, and/or organizations with Inter-Service Support Agreements (ISSA).

Analysis - General

This report, including the data analysis, is arranged by geographical location since DOE aviation resources are commonly viewed this way. This arrangement recognizes the unique mission assignments and management structures in place at each location.

For each location, CAPS II questioned whether the current aircraft could meet its mission requirements, and, if not, what aircraft should be used. The current aviation operation costs were also examined to see if they are appropriate, and, if not, what options management has to reduce the costs.

Can the Current Fleet Meet Its Mission Requirement?

In order to determine whether the current aircraft could meet its mission requirements, the capability and economy of each fleet aircraft to contribute to the needed aviation support was assessed. Then, the team investigated alternative means of acquiring this needed aviation support. As part of this analysis, CAPS II identified a future fleet model to represent a modernized aircraft fleet capable of meeting its future mission requirements. The model also disposes of inefficient aircraft. Additionally, the team used the future fleet to determine the expected costs of alternative options for aviation support. These models compare the cost of contractor operations versus Government operations, but this information is presented for illustrative purposes and is not intended to indicate any intent to convert operations. The cost for these models assumes that contract reform, if needed, is in place. The results of this analysis are shown in detail in the site-specific sections of the report.

Are the Current Aviation Costs Appropriate?

During the cost analysis, three distinct software programs were used to determine costs; each resulted in unique data. In reviewing these results, one should not rely exclusively upon one program but should examine all of them. Each program produced statistical tables that were used to compare options for aviation support. The following software packages were used in the study:

- ✈ **The Aircraft Cost Evaluator** – It is a commercial software program that compares aircraft by make, model, the year of manufacture, and type of use. This program contains historical aviation industry use and cost information that can be used for comparative purposes. The information is averaged by the program, then used to compare two or more different aircraft used in the same manner. For example, the program is especially suited to compare the relative costs of several helicopters with similar capacities and flight characteristics. The results of the analyses are presented as tables of direct costs, those that are driven by the number of flight hours, and fixed costs, those occurring regardless of flight hours. The program is limited by its inability to consider some unique Government requirements such as extended or abnormal crew duty hours (such as 24-hours-per-day readiness), low flight hours (emergency response missions), extensively modified aircraft, or missions other than point-to-point transportation. For this reason, the absolute costs presented by the program are not reliable for budget planning, but the comparisons between the costs for two or more makes and models of aircraft will be appropriate. After applying suitable adjustments for insurance, depreciation, and other costs that differ due to Government aircraft usage, the program yields a useful comparison between average corporate aircraft costs and similar DOE fleet aircraft costs. This process can be used to identify current costs that appear outside the industry norms for similar aircraft or to determine the aircraft that would be the best value for a particular use. For example, the costs of maintenance, crew, fuel, other expendables, and miscellaneous overhead expenses can be directly compared for several types of aircraft

slated for the same mission. In this comparison, if each of the candidate aircraft is capable of performing the mission, a simple but effective cost comparison can help eliminate the more expensive aircraft from further consideration. The Aircraft Cost Evaluator offers comparisons of costs today but not into the future. The information from this program is used to feed *Life Cycle Cost – 2000*, which details future costs.

- ➔ **Life Cycle Cost – 2000** - It is a new commercial software program that facilitates the cost, budgeting, financial analysis, and projection of aircraft cost by make, model, the year of manufacture, type of use, the category of ownership, and type of financing. This program is especially flexible in allowing the analyst to tailor default costs to reflect actual costs experienced by an aircraft as well as adjust the algorithms that control the internal calculations of the program. For example, the formulas used to depreciate a particular aircraft over a specific period of analysis can be adjusted to reflect the historic depreciation curve for that make and model of aircraft. The program also accommodates extended or unusual costs associated with standby and overtime for flight and maintenance crews, facility costs, and subcontract costs. The analysis results in accurate aircraft costs and real-world projections. The program projects future direct and fixed costs, annual out-of-pocket expenses (used to determine the annual budget), and the total cost of ownership (also called life cycle cost) while including adjustments for inflation. The program can develop a summary of the projected costs for the lease or lease-purchase of aircraft compared with its outright purchase. This process allows the analyst to compare Government-owned/contractor-operated (GOCO) aircraft with Government-owned/Government-operated (GOGO) aircraft in order to determine the most economical type of ownership and operation. Life cycle cost analyses for all “future fleet” aircraft have been included in the appendices to this report.
- ➔ **A-76 Cost Analysis** - This Government-owned software program was developed to facilitate cost comparison studies for aircraft ownership and operation. The program compares options for either Government-owned or contractor-owned aircraft as well as Government or contractor operation of the aircraft. This program was developed by Mr. David Darling, an economist employed by Western. The original program, produced in 1996, was upgraded by Mr. Darling in April 2000 to support the current OMB Circular A-76 and Supplement.

Government agencies are required to use the A-76 process prior to the initial acquisition of aircraft or when they want to convert from one form of service to another. A-76 cost calculation comparison follows strict rules using OMB-supplied constants. The process favors the status quo, regardless of whether the work is being performed by the Government or a contractor. The resultant cost summaries provide a ratio for comparison, but they should not be used as future indicators of budget costs or out-of-pocket expenses. However, the results do indicate which is the most cost-effective management structure, government or contractor.

The *A-76 Cost Analysis* program uses data summarized from the *Life Cycle Cost – 2000* program to feed the A-76 process. Using this data, CAPS II has performed an A-76 Study analysis of each fleet aircraft. It compared the expected relative cost of future contractor performance with Federal performance. If management wishes to convert a currently contracted operation to a Federal or in-house operation, a public announcement must be published in the Commerce Business Daily followed by, at least, a 30-day public comment period. Following the comment period, DOE must resolve all comments before proceeding with the conversion. These additional actions, combined with the study's analyses, would satisfy the A-76 requirements. However, there is no expectation of conversion in this report.

CAPS II has used these analytical programs to identify the most cost-effective aircraft to provide aviation support during the study period, FY 2002 – FY 2011. The programs were also used to compare the relative cost of ownership versus leasing an aircraft, Government versus contractor ownership of aircraft, and contractor performance versus Federal performance of aviation support. In some cases, the team also analyzed the cost of other Government agency performance in lieu of DOE-managed operations. These services, termed ISSA's, are recognized in the A-76 process as a legitimate method of achieving needed services based on the total cost to the U.S. taxpayer.⁶ Where this option was considered, CAPS II presented the overall cost in terms of its total cost to the taxpayer.

What Should Be the Cost of DOE Aviation Operations?

As part of the analysis phase, CAPS II examined the cost construction used in aviation contracts and M&O contracts containing aviation responsibilities in an effort to identify possible savings. A business principally receives a return on its investment for those items that are at risk in the marketplace. These items typically include capital funds, inventory goods, capital equipment, tools, facilities, investments in personnel and training, and goodwill. In the case of the DOE M&O contractors, the Government supplies capital equipment, office space, shop space, supplies, computer equipment, software, parking, tools, and utilities. The costs of parts and expendables for operating the aircraft as well as training for aircraft crews and support personnel are directly charged to the Government. The contractor has no capital at risk.

The only risk that an M&O contractor has is the company's good will and the knowledge and skill base of its employees. Whether the employees' knowledge and skill base is at risk is also debatable. In DOE contracts, turnover from one contractor to another has typically involved only changing the company name on the contract and replacing senior management. The direct labor pool of employees remains and rolls over to the new contractor. The new contractor begins operations with a trained, experienced corps of employees, and thus incurs no further investment.

⁶ Compliance with the Economy Act of 1932 and individual appropriations restrictions is compulsory.

In the aircraft service industry or the open market, returns are significantly lower than those for contractors managing DOE aircraft operations, in spite of the lower risks assumed by the DOE contractors. From these returns, the service industry company must recover overhead costs, including all of those items the Government provides to M&O contractors, as well as personnel and payroll administration costs. These returns also include the margin for profit. Because of the differences in overhead costs, the CAPS II team believed that an additional analysis in the form of “should cost” projections was necessary. The team has provided those projections in this report.

“Should cost” projections for the aircraft operations at NV, AL, and SR were constructed based on aviation industry market prices that were adjusted to accommodate the types of flight operations conducted by DOE. Adjustments were made for the actual cost of fuel, cost of subcontracts for maintenance, 24-hour-per-day operations (where applicable), quick reaction standby, simulator training for all pilots, operations under Air Carrier Certificates (where applicable), and other mission-driven anomalies that might cause DOE’s costs to differ from the corporate model. In addition to the costs categories that DOE allows in its contracts, the team assigned real-world percentages for operations and administrative overhead. Each of these was assigned a value of 10 percent or more of costs, depending upon location and size of the contract activity. Together, these total 20 percent or more of the costs and are generous, especially for a minimum-risk venture. The contractor should find a reasonable profit from these assigned overhead allowances.

Conclusion - General

CAPS II verified the costs of the DOE aviation operations through several separate methodologies while auditing and analyzing the contractor operations. From the analysis, the CAPS II team concluded there was a difference between corporate and DOE costs for the same type of aircraft, and it varied from one geographic location to another. The aircraft at NV, AL, and SR are all Government-owned and operated by contractors. At the contracted sites, the team noted that the annual out-of-pocket cost for each type of aircraft was significantly higher than for corporate use of similar aircraft.⁷ This higher cost was not explained by the profit or fee paid to the DOE operating contractors. At Western, the costs of its GOGO aviation services are less than comparable contractor-owned/contractor-operated services (COCO).

Using Life Cycle Cost and OMB Circular A-76 cost methodologies and industry comparisons, this report presents the most viable options for achieving a safe, effective, and efficient aviation program for the next 10 years. The cost drivers for each location are discussed in their respective sections of this report and recommendations to control costs are offered.

⁷

Aircraft Cost Evaluator, Conklin & de Decker, Orleans, MA, Spring 2000.

Albuquerque Operations Office

Albuquerque operates seven airplanes in support of weapons surety, emergency response, science, and administrative management. The fleet moves approximately 1,500,000 pounds of sensitive cargo each year as well as 10,000 - 15,000 passengers. The cargo shipments have a high priority and consist primarily of sensitive weapons components that must be moved on a strict time table. These shipments involve classified information, and flight crew members are required to have an appropriate security clearance. The shipments are critical to the maintenance of the strategic weapons stockpile and are a component of our National security. The use of Government aircraft under the control of DOE to perform these movements is necessary and appropriate. AL maintains a readiness posture of 2 hours notice-to-launch from 07:30–23:30 hours and 4 hours notice-to-launch from 23:30–07:30 hours in support of emergency response requirements.⁸ One or more aircraft and its crew(s) are kept in this posture. At times, the response posture is advanced to a shorter notice-to-launch requirement.

AL provides support for the TSD, which involves the movement of personnel and equipment, including weapons and ammunition, to destinations throughout the continental United States. Past attempts to use scheduled commercial service for these movements have proven unsatisfactory and have resulted in serious security concerns and loss of sensitive Government property.

AL aviation's primary missions are currently escalating significantly (see Table A-1). This escalation will continue through FY 2006, when it will level off for the foreseeable future. A sustained, increased level of service is the standard for AL's program needs and was considered in this study's future analysis. The program schedules that require this enhanced need will extend beyond the 10-year life cycle of this study.

The CAPS II review of AL aviation activities investigated four significant issues:

- 1. Can the present fleet mix of aircraft effectively and economically meet its escalating mission requirements?***
- 2. If the present fleet mix of aircraft cannot meet its escalating mission requirements, what is the optimum fleet mix and what specific aircraft should be used?***
- 3. Are the Ross Aviation, Inc. costs for aviation operations appropriate?***
- 4. If the current costs for aviation operations are inappropriate, what options does management have to reduce the costs?***

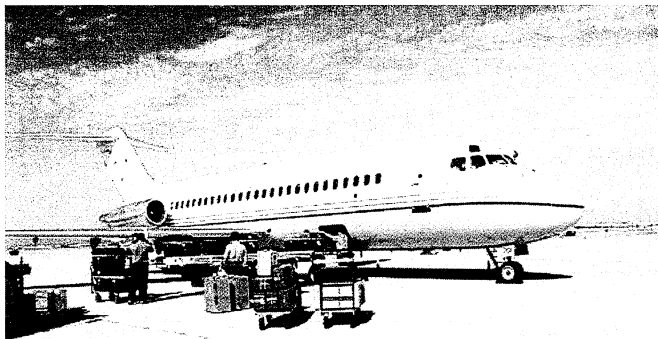
⁸ TSD Emergency Response Plan

Can the present fleet mix of aircraft effectively and economically meet its escalating mission requirements?

Aviation services at AL are provided by a contractor who operates and maintains the fleet of Government-owned airplanes. This contractor, Ross Aviation, Inc., has held the contract for more than 28 years. The seven aircraft that Ross Aviation, Inc. operates include two Douglas DC-9s for heavy transport, a G-III for medium transport, a Beechcraft King Air B-200C, a Lear 35, and two DeHavilland DHC-6 Twin Otters for light transport.

Douglas DC-9

The DC-9-15Fs are heavy transport aircraft that were chosen for their ability to carry specially packaged cargo and to convert easily from cargo to a passenger configuration. Currently, AL has



two of these airplanes equipped with cargo doors, reinforced cargo floors, and special cargo tie down provisions. One of these airplanes is typically kept in a passenger configuration to support the TSD movement of personnel. The cargo doors and reinforced floors are necessary to load and transport outsized cargo shipments.

The two DC-9s are in excellent condition and have several characteristics that favor their retention rather than replacement with more contemporary airplanes. One attribute

is their superior power-to-weight ratio, which gives them the ability to operate from shorter runways than newer models such as the DC-9 or MD-80 replacements. Since the DC-9s were fully depreciated many years ago, their costs involve only operating and maintenance expenses.

The two DC-9s are vintage 1965 but have accumulated few flying hours for their age; each has approximately 44,000 total flying hours. A review of all 539 existing DC-9 aircraft revealed that 304, or 56 percent, have greater than 60,000 flying hours and 187, or 35 percent, have more than 70,000 flying hours. Additionally, a significant number of DC-9s have more than 90,000 hours flying time. The vast majority of the existing DC-9s are in commercial carrier fleets where cost effectiveness is paramount. Based on this historical data, AL's DC-9 aircraft should efficiently fly a high number of hours and, therefore, last for many years with proper maintenance. They should operate effectively and efficiently well into the future.

Because of the cost of a D Check inspection, replacing the existing DC-9s when they require their next "D checks" has been discussed. This is a questionable claim based on the potential for the aircraft to have many additional flying hours as discussed above. Also, since a recent survey indicates it costs approximately \$1,500,000 per aircraft for a "D check," the cost is relatively low

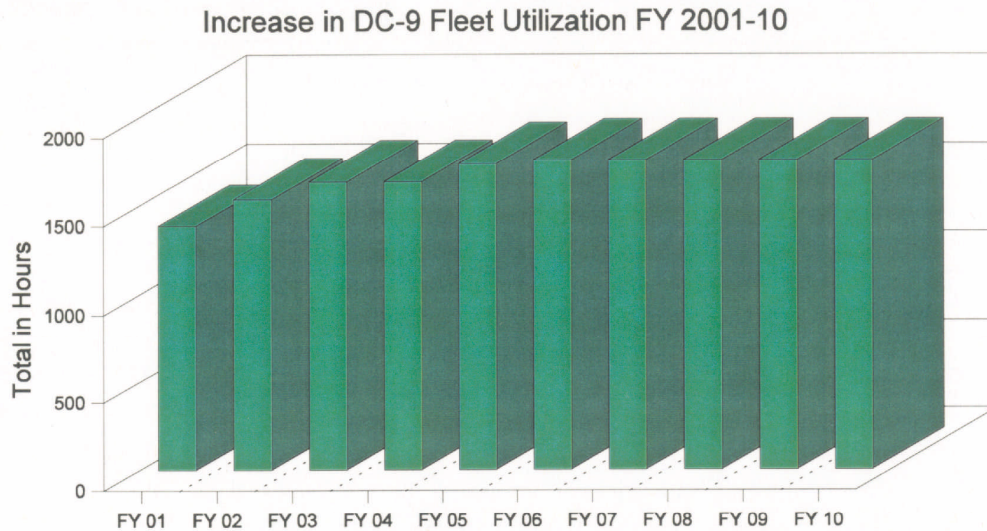
compared to the very high cost of replacing the aircraft. However, if we accept that the existing DC-9s should be replaced when they require their next “D checks,” we can identify the first potential date for replacement of these aircraft. The aircraft records for the two AL DC-9s show that the next “D checks” are due at 50,885 and 53,640 hours respectively. At last year’s (2000) flying hour rate of 480 hours per aircraft, the first DC-9 should be replaced in 2015 and the second in 2020. Based on AL’s experience, they believe the maximum capability of the aircraft is 700 hours per year. Assuming that AL could meet this rate, the first AL DC-9 would require replacement in 2011 and the second in 2014. It is, therefore, safe to assume that AL could operate its DC-9s for a minimum of 10 more years, or perhaps even longer since the aircraft potentially can fly well beyond the time calculated to the next “D check.”

The DC-9s’ program missions are planned many years in advance, and the quantity of cargo and passenger movements are highly predictable. CAPS II interviewed weapons program personnel and reviewed classified program documents to determine future aircraft needs. The team worked closely with the AL Aviation Program Manager and his staff to determine the scheduling, communications, tonnage, flight routes, and flight time needed to meet the mission. A sustained increase in the cargo and passenger movement requirements begins in FY 2001, escalates through FY 2005, and levels to a plateau approximately 30 percent above the 1999 requirements as shown in Table A-1 below.

Table A-1 Increase in DC-9 Fleet Utilization (in flight hours) FY 2001-10⁹

| | FY 01 | FY 02 | FY 03 | FY 04 | FY 05 | FY 06 | FY 07 | FY 08 | FY 09 | FY 10 |
|-------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Office of Transportation Safeguards | 725 | 875 | 975 | 975 | 1075 | 1075 | 1075 | 1075 | 1075 | 1075 |
| Limited Life Components | 360 | 360 | 360 | 360 | 360 | 360 | 360 | 360 | 360 | 360 |
| Emergency Response Airlift | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 |
| AL | 230 | 230 | 230 | 230 | 230 | 250 | 250 | 250 | 250 | 250 |
| TOTAL (in Hours) | 1385 | 1535 | 1635 | 1635 | 1735 | 1755 | 1755 | 1755 | 1755 | 1755 |

⁹ As shown in the AL report, Utilization of AL/OTS Aircraft: Air Transportation - Operational Support Essential for Achievement of the OTS Mission, March 19, 2001.

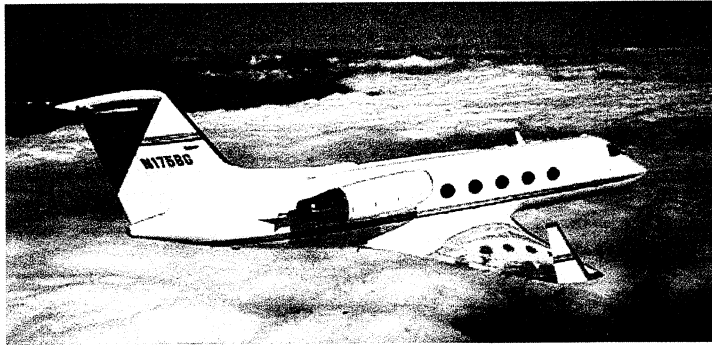


Even if AL can sustain a 700-hour-per-year program as they believe, this is not enough to absorb the increased requirements. This higher level will continue well beyond the life cycle of this study. There will be a shortfall in capability beginning in FY 2001 that will require one additional airplane of this size to meet the need. The additional requirements result from the approved increase in Federal Courier Units from four to six by 2005 that is necessary to meet the planned weapons movement schedule. These increases in Federal Courier Units and weapons movement result in increased aircraft missions to support training and quality of life requirements for TSD personnel.

The CAPS II team and the AL Aviation Program Manager feel that heavy transport missions would be best supported by dedicating the present DC-9-15Fs to cargo flights and acquiring another airplane with more weight capacity and increased range for the passenger missions. There is a sufficient demand in the program schedules to fully employ three transport category airplanes in these roles.

Gulfstream III

AL acquired the G-III in 1999 to provide a mid-sized, passenger transport capability in support of the weapons surety and emergency response missions. The G-III is equipped with 14 passenger



seats and has a fuel range of 3,750 nautical miles, making it capable of nonstop coast-to-coast flights. It is the only airplane in the DOE fleet with this ability. The airplane is not configured for cargo transport but can accommodate up to 800 pounds in the baggage compartment. At the time of the CAPS I study, the G-III was not in operation at AL, and no use history had

been established. CAPS II found that, after 6 months of operation, the use of the airplane has exceeded 350 flight hours. This is the A-76 Study planned first year use.

Beechcraft B-200C

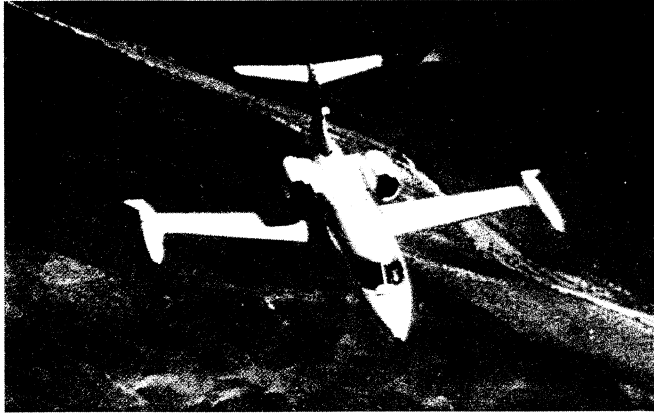
The Beechcraft King Air B-200C is a twin turboprop airplane that AL purchased in 1981 to transport small shipments of limited life weapons components and small groups of people. The airplane can seat up to seven passengers or carry up to 1,500 pounds of cargo. The B-200C has a nominal cruise speed of 260 knots and is most efficient for trips of less than 600 miles, from origin to destination. With a moderate load of 1,000 pounds, the airplane has a limited fuel range of less than 1,000 miles.



These limitations make the B-200C inefficient for present and future AL missions that require higher speed, greater capacity and longer range. A report from the AL Inspector General, published in 1988, recommended that AL dispose of this airplane. CAPS I also recommended disposal. CAPS II agrees that this is an inappropriate airplane for AL's future needs and should be replaced with a more capable and cost-effective airplane. AL should transfer the B-200C to NV in order to provide commonality in the NV airplane fleet.

Lear 35

The AL Lear 35 is equipped with a cargo door and cargo tie down provisions. The airplane is readily convertible from cargo to a passenger configuration with the installation of seven



passenger seats. The airplane was purchased new in 1991 to transport small shipments of high priority cargo and small groups of people. AL makes good use of the airplane for these missions, and it has proven to be the right airplane for the job. An examination of its history of use shows that the demand for its capability often exceeds its availability, and requests have been declined or reassigned to the B-200C. The B-200C is an inadequate substitute for the Lear on trips beyond 600 miles, or where

time is a critical consideration. Analysis indicates that AL needs two airplanes with the Lear jet's capabilities to meet future mission requirements. An additional aircraft is needed to support increased quality of life missions necessary to sustain the two additional courier units and an increase in LLC movements. Small jet aircraft are used for LLC or courier movements when the use of larger aircraft would not be economical or appropriate. Adding a second small jet will improve the efficiency and effectiveness of AL's aviation operations.

DeHavilland DHC-6

AL operates two DeHavilland DHC-6 Twin Otters for scientific research, research support, and occasional personnel transport. The Twin Otter is a unique airplane that has exceptionally short take off and landing distances and is certified for up to 19 passengers. The price of the high lift wing that gives the Twin Otter its short field capabilities is a slow operating speed.

Normal cruise speed is 140 knots or less.

This is both an asset and a limitation. The slow operating and maneuvering speeds make the airplane ideal for the science and science support missions. The short field capabilities also provide a margin of safety and utility for difficult runways such as the one at Los Alamos, NM. The slow cruise speed limits the airplane to a useful mission distance of less than 200 miles when time is a consideration.

The Twin Otters at AL have been significantly modified to accommodate various scientific equipment and support configurations. Each year the airplanes spend a great deal of time undergoing configuration changes and installation of science packages to support atmospheric and radiation research for Los Alamos National Laboratory and Sandia National Laboratory.



These airplanes were fully depreciated many years ago; their only costs are the fixed and variable costs of operation and maintenance. No directly comparable aircraft are available on the market, and any replacement would multiply the present costs several times. The two Twin Otters are capable of providing adequate mission support into the foreseeable future.

If the present fleet mix of aircraft cannot meet its escalating mission requirements, what is the optimum fleet mix and what specific aircraft should be used?

In order to support the missions for the next 10 years, AL should retain the present fleet with the exception of the B-200C. The AL future fleet will require two additional aircraft, a heavy transport category aircraft and a cargo-capable light jet, in order to meet the projected escalation in mission requirements. These recommendations are based on the minimum number of airplanes needed to effectively accomplish the weapons surety and emergency response missions, support scientific research, and supplement the travel resources available through scheduled commercial airlines and charters.

Douglas DC-9

AL needs to add one additional transport category airplane to the fleet in order to meet program requirements. CAPS II performed an analysis of classified mission requirements documents for cargo and passenger loads, schedules for movement, and capacity of resources. The team considered nominal out-of-service times for scheduled inspection and maintenance of the affected airplanes through the next 10 years. The marked increase in loads, movements and schedule requirements show that the need exists for two DC-9s dedicated to cargo movement and one DC-9 for passenger movement. The current AL DC-9-15s are both capable of being configured for passengers and cargo, but they cannot meet the Office of Transportation Safeguards' mission requirement of carrying one complete crew as well as their equipment. Therefore, an aircraft with more capacity than the current DC-9-15 is necessary. The present DC-9-15s are already configured for the cargo mission. These airplanes should be considered the primary cargo movers.

Several options are possible for providing an aircraft suitable for passenger movement. The possibility of having a contractor-owned and -operated aircraft assume the mission or supplement the DOE fleet was examined. Based on the history of other Government contracts for similar aircraft, CAPS II calculated the first year annual cost of one such airplane at \$3,667,500. The 10-year life cycle cost of a contracted airplane is approximately \$39,000,000.

Another option is for DOE to purchase an additional aircraft. According to the Boeing Aircraft Company, the start-up cost for a new type of aircraft is \$1,800,000; this includes the cost for a new spare parts inventory, special tools, and training for the crew and mechanics. In the interest of cost control, efficiency and effectiveness, it is prudent to purchase an additional aircraft as standard as possible with the existing DC-9s. Several candidate airplanes would meet the mission requirements, such as the MD-83 and Boeing 737, but they are dissimilar to the DC-9s. In addition, they cost between \$18,000,000 and \$30,000,000 based on the Aircraft Bluebook

Price Digest published by Intertec Publishing.¹⁰ A larger version of the DC-9, the DC 9-30 series (31-34) has the desired capability and is readily available on the market at this time. It would supply the desired interoperability with the existing AL DC-9-15s. The DC-9-30 cockpit is essentially the same cockpit as the DC-9-15 cockpit, and the aircraft performance is very similar. There should be no problem with AL pilots flying both versions interchangeably. From a maintenance perspective, the aircraft are basically the same, making it easy to assimilate the aircraft into the existing fleet without negative impact on maintenance efficiency. By staying with the DC-9, the problems, added costs, and inefficiencies associated with mixed fleets of aircraft are eliminated. In a recent survey, the price for a DC-9-30 was between \$2,600,000 and \$5,100,000. It is also more readily available on the open market and the best economic value. This choice could save up to \$25,000,000 in acquisition cost over the MD-83 and Boeing 737 candidates. It is the clear choice for an additional airplane for purposes of this study because it will hold acquisition costs at a minimum, take advantage of present crew and mechanic training, provide commonality of spare parts and maintenance procedures, and avoid acquisition of another set of special tools. Adding a DC-9-30¹¹ to the fleet for passenger movement is the most mission effective and cost-effective alternative as shown in Table A-2.

DC-9-30s are available in both passenger only and freight (convertible to passenger) versions. The logical choice is to purchase the freight version (interchangeable to passenger configuration). It will provide additional capacity for equipment or, alternately, 20 additional seats. Effectiveness and efficiency are significantly enhanced by using the aircraft interchangeably for both the cargo and passenger missions.

Given the budget lag of at least 2 years for funds and Congressional approval required to add another airplane to the AL fleet, a lease or lease/purchase arrangement should be arranged to meet the interim need.

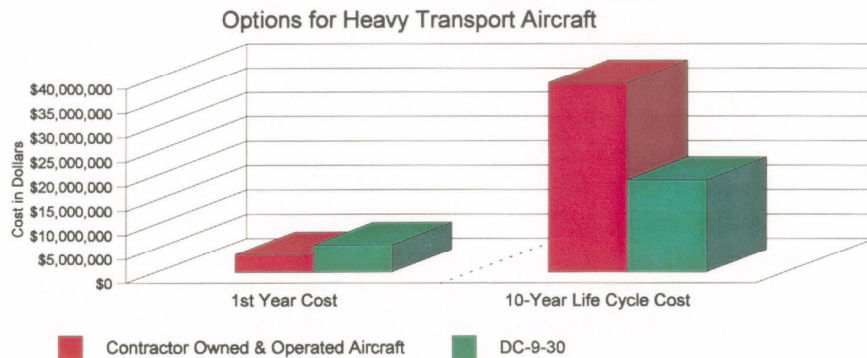
Table A-2 Options for Heavy Transport Aircraft

| Option | 1st Year Cost (Includes Purchase Price) | 10-Year Life Cycle Cost |
|--------------------------------------|--|--------------------------------------|
| Contractor-owned & operated Aircraft | \$3,667,500 (1 st Year Lease Cost) | \$39,000,000 (10 Year Lease Cost) |
| MD-83 or Boeing 737 | \$18,000,000 - \$30,000,000 | XXX |
| DC-9-30 | \$5,696,313 | \$19,004,444 |

XXX- Value Not Calculated

¹⁰ All estimated values for buying or selling aircraft quoted in this report are from the Aircraft Bluebook Price Digest, Spring 2001 Edition.

¹¹ The recommendation for a DC-9-30 includes any of the -30 series with either JT-8D-9A or JT-8D-15 engines. It should also be an aircraft that can be configured for either passengers or cargo.



Lear 35

The current Lear 35 is in great demand and requests for its use have been declined or reassigned to the B-200C. The B-200C is not a suitable substitute for the Lear on trips beyond 600 miles, or where time is critical. AL needs two airplanes with the Lear 35s capabilities in order to meet future mission requirements. To improve efficiency, effectiveness, and standardize crew qualifications, training, maintenance, and parts support, another Lear 35 with a cargo door is the aircraft of choice.

Gulfstream III

Rather than make a judgment regarding the usefulness or cost effectiveness of the G-III without sufficient history to support a decision, CAPS II believes that the airplane should remain in service for 3 full years before any decision is attempted. At that time, AL must perform a post "Most Efficient Organization"¹² (MEO) review and apply a life cycle cost analysis to the historical data to determine if the airplane's cost is justified. The CAPS II study has developed future expected costs for the ownership and operation of the G-III based on models from LCC 2000, the Aircraft Cost Evaluator, and the Aircraft Bluebook Price Digest. If future experience shows that the utility or costs of the G-III fail to meet the expectations of the A-76 Study, a reevaluation would provide options for reducing costs or replacing the airplane with more efficient alternatives. If future experience shows that the utility is understated or that costs are overstated, the post MEO review would correct the original study and serve as a basis for a keep-or-sell decision.

¹²

The MEO construction used the methods of OMB Circular A-76.

DeHavilland DHC-6

CAPS I reported that some respondents had reported a potential need for a larger aircraft to support the science missions. CAPS II could not find any specific request for a larger aircraft for this mission. Unless and until customer organizations define and request greater capability, no justification exists for the acquisition of a larger aircraft to replace the DHC-6.

Acquisition Cost

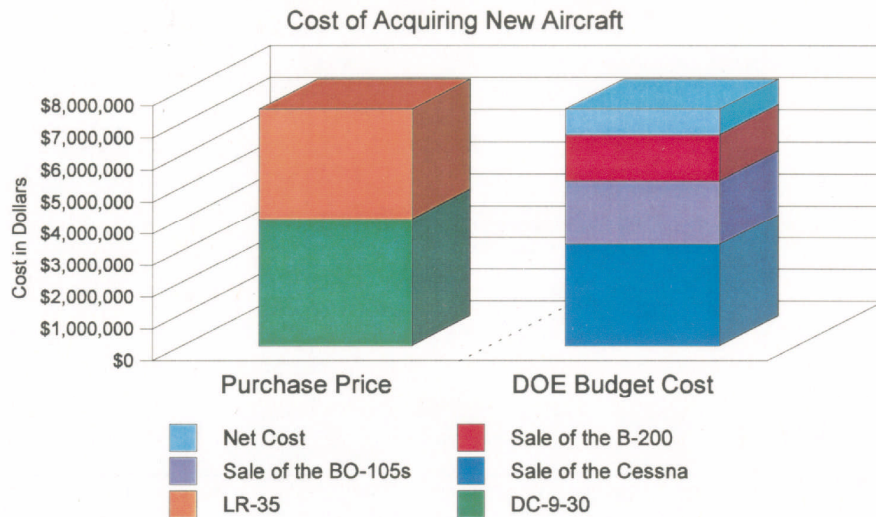
The cost of acquiring the DC-9-30 and the LR-35 should be offset by the disposition of other aircraft. NV has transferred the control of their BO-105 helicopters to OAM for disposition. OAM is requesting an exchange sale waiver from the GSA for these four helicopters in order to realize the market value of approximately \$2,000,000. When the GSA grants the exchange sale waiver, the NNSA should place the BO-105s, their special tools and spare parts for sale on the open market. The proceeds of the sale should then be applied to the acquisition of a DC-9-30 series airplane for AL.

The AL Inspector General and CAPS have recommended that the B-200C should be replaced with a more capable and cost-effective airplane. AL should transfer its B-200C to NV for modification to add sensor port(s) so that the two NV B-200 aircraft can achieve parity of use (Ref: NV section of this report). NV's unmodified B-200 should be transferred to OAM for an exchange sale. Proceeds from the sale of the NV B-200, \$1,435,000, would be used to offset the purchase cost of new AL aircraft. Then, NV should transfer its Cessna Citation to AL for disposal through an exchange sale. AL should use the proceeds, \$3,200,000, to purchase a Learjet to replace the B-200. This interchange and acquisition will provide more commonality within each respective fleet, enhance mission capability, lower operating cost, and simplify maintenance programs.

Table A-3 shows the expected one-time cost of acquiring one DC-9-30 and one Lear 35 using the BO-105, the NV B-200, and the Cessna Citation in trade.

Table A-3

| Aircraft | Cost |
|-----------------|---------------|
| DC-9-30 | \$4,000,000 |
| LR-35 | \$3,425,000 |
| Cessna Citation | (\$3,200,000) |
| BO-105 | (\$2,000,000) |
| B-200 | (\$1,435,000) |
| Net Cost | \$790,000 |



Are the Ross Aviation, Inc. costs for aviation operations appropriate?

The flying hour program used in this analysis is a conservative calculation based on the history of the AL fleet with projections based on data provided by the operating programs and interviews with program managers. The CAPS II relied heavily upon facts presented in CAPS I and updates from the programs. The team conducted an analysis of classified program needs and performed detailed interviews with program managers. It sought and received information from various Government agencies and commercial operators on the cost of comparable services using contractor-owned, contractor-operated aircraft.

Ross Aviation, Inc. maintains and operates the AL fleet of Government-owned airplanes. Prior to 1998, the contract basis was "Management and Operations," which placed the contractor in control of all management functions as well as operations and maintenance of the fleet. All costs were direct-charged to the Government with an override for profit. When AL recompeted the contract in 1998 as a "Service" contract, some provisions of the contract were changed to conform to the Service Contract Act, but the original intent to replace the current contract with a performance based, service contract was lost. By virtue of the fact that the contract requires the performing contractor to hold and use certification under 14 CFR 121 and 14 CFR 135 for the operation of certain AL airplanes, the contractor becomes the *de facto* manager and management authority, and the AL contract cannot relieve these responsibilities. Federal Aviation Regulations and DOE policy require a certificate holder (Ross) to have a particular management structure for the operation and maintenance of aircraft under its control, and the law makes the certificate holder liable and accountable for all actions and omissions involved in the flying and

airworthiness of the aircraft. These liabilities are reinforced in the AL contract with Ross. The intent of a service-based contract is largely defeated by these facts. Despite the legal and language differences in the M&O and Service contracting methods, the net effect of the change has been negligible.

CAPS II reviewed the aviation related costs and identified a number of problems with how costs were reported. These problems included the following:

- Programmatic costs are included in aircraft costs;
- Redundant aviation requirements are included in the contract;
- The AL/contractor relationship is exclusive;
- The AL contractor's accounting practices distort the real cost; and
- The aviation related overhead costs are unusually high.

These problems are discussed in the following paragraphs.

Programmatic and Redundant Requirements

CAPS II reviewed the reported costs in order to distinguish between those costs that represent the aircraft operations and those that represent program requirements and are only peripherally related or unrelated to the aircraft. These peripherally related or unrelated costs are identified as *programmatic costs*. Most programmatic costs at AL are driven by contract requirements that relate to the handling and movement of special nuclear materials or that are restated or redundant requirements of other agency regulations, rules, or policy. As an example, the present *Request for Proposals* to establish a new aviation contract contains a list of Contractor Requirements Documents (CRD) that comprise 47 separate regulatory requirements, only one of which is directly related to aviation. These are in addition to the Federal Aviation Regulations that the contractor must implement and comply with in the operation and maintenance of the aircraft. Several are in addition to, or restatements of, Department of Labor, OSHA, and EPA requirements that are compulsory for any commercial entity performing aircraft operations and maintenance. Each of these CRD requirements creates an expense for planning, implementation, and reporting. This is in addition to all other such requirements that exist as a result of the core activity—aviation service. These additional requirements drive administrative overhead costs to unusually high levels. The AL contract directs that the costs of compliance with these program requirements are budgeted and accounted in the Aviation Program costs and are spread to the aircraft in the program. Even if necessary to the performance of the contract, these costs should be recognized as program driven and listed separately from aircraft costs. The programmatic costs that are included as aircraft costs total \$849,000 per year; this is 9 percent of reported total costs or 25 percent of reported overhead costs. CAPS II believes the contractor should revise its

accounting system to clearly identify the effort and cost of compliance that is directed toward each activity.¹³

Exclusivity

A characteristic of the AL/contractor relationship is its exclusivity of other entities. The present contractor has only one customer, the AL Aviation Program. Consequently, the entire company and infrastructure must be supported by the one contract. For example, full time staff efforts associated with personnel management, payroll, procurement, accounting, and information technology support cannot be spread to other corporate cost centers but are supported solely on the aviation business for AL. Without a wider customer base, the contractor is unable to spread the company's overhead costs among multiple customers. The large overhead burden combined with the inability to spread the overhead costs outside the AL contract contributes to unusually high overhead charges for the services received.

Accounting Practices

The contractor's methods of collecting and accounting for the cost of aircraft operations and maintenance further distort its real cost. For example, the contractor does not keep records of the amount of fuel dispensed into each aircraft at AL. Rather, a formula has been devised that spreads the amount of bulk fuel purchased, and its cost, to each aircraft based on an average fuel burn for the type of aircraft and the total number of flying hours it accumulates. This formula ignores fuel that may have been purchased at other sites. Our reconstruction shows considerable error in this process.

Another accounting problem is that the cost of aircraft parts is immediately charged to aircraft tail numbers, even when these parts are placed on the shelf and might remain there for a year or more. This practice distorts the true cost of aircraft maintenance, both at the time of parts acquisition and when the parts are installed on an aircraft or are otherwise disposed. All aircraft mechanics' labor was charged to aircraft tail numbers, even when the mechanics were engaged in program training, shop work unrelated to a particular aircraft, or awaiting work assignments.

Aviation-related Overhead

The aviation-related overhead costs of the present contract are also unusually high, even when the programmatic costs are removed. The AL *Aircraft Operations Review* report for 1999 shows a total cost of operations as \$9,515,019. The combined operations and administrative overhead is reported as \$3,422,074. This is an overhead rate of 36 percent of the total expenditures. Since the Government furnishes equipment and facilities, this rate is extraordinarily high. In a

¹³

See Recommendations and Tasks - AL

non-DOE commercial organization, a company pays for its hangar and shop facilities, land, office space, furnishings, supplies, utilities, tools, parts, computer equipment, and expendables. DOE provides these to the AL contractor, either in kind or by direct reimbursement. The DOE contractor does not include costs for the value of hangar, shop, or office space, land, nor for utilities associated with the facilities. Comparison of the aviation contract costs at AL with commercial service providers that own and operate their own aircraft results in our conclusion that overhead can be reduced.

Table A-4 represents the projected costs of retaining the present fleet mix and extending the current contracting practices for the 10-year life cycle period. The Present Fleet - Costs Normalized are the current costs of operations and maintenance as reported by the contractor. These costs are adjusted to add or subtract costs that CAPS II discovered were inconsistently reported. They continue to include those programmatic costs that are unrelated directly to aircraft operations or maintenance.

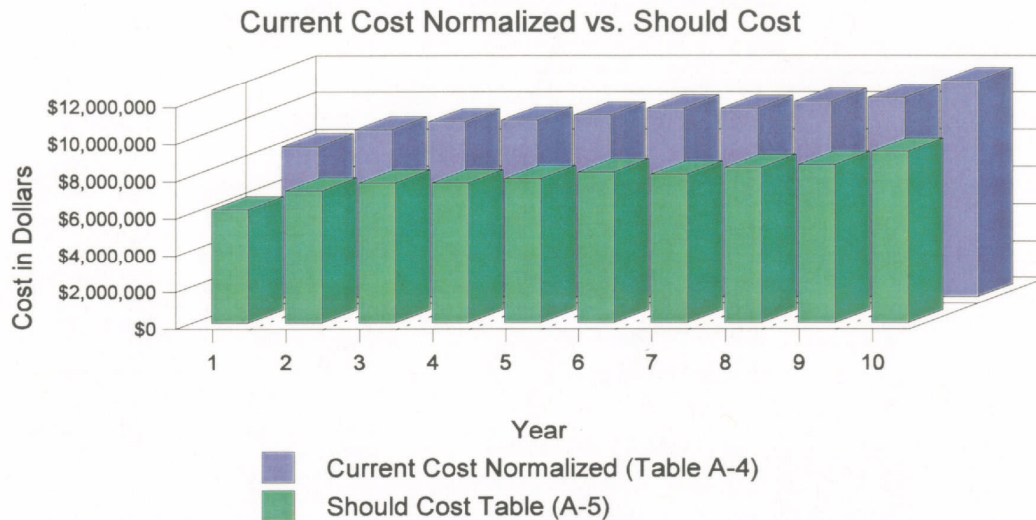
Table A-5 represents the projected costs of retaining the present fleet mix and the same level of direct labor, but reforming the contract accounting practices. The major difference is the redistribution or reduction of overhead costs. This projection is based on the present flying hour program for all aircraft except the G-III (N344GW). Costs for the G-III are based on 350 flight hours per year, AL's projected use for this aircraft.

Table A-4 Present Fleet - Current Costs Normalized

| DOE Albuquerque Present Fleet - Current Costs Normalized | | | | | | | | | | | | |
|--|------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Aircraft | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
| N135DE | | \$968,906 | \$973,506 | \$1,236,782 | \$1,035,820 | \$1,051,091 | \$1,074,568 | \$1,111,957 | \$1,133,961 | \$1,160,208 | \$1,186,122 | \$10,932,921 |
| N148DE | | \$408,124 | \$384,099 | \$393,702 | \$403,544 | \$413,633 | \$423,974 | \$434,573 | \$445,437 | \$456,573 | \$467,988 | \$4,231,647 |
| N162DE | | \$664,427 | \$708,601 | \$726,316 | \$744,474 | \$763,086 | \$782,163 | \$801,717 | \$821,760 | \$842,304 | \$863,362 | \$7,718,210 |
| N166DE | | \$2,342,017 | \$2,389,996 | \$2,449,746 | \$2,510,990 | \$2,573,764 | \$2,638,108 | \$2,704,061 | \$2,771,663 | \$2,840,954 | \$2,911,978 | \$26,133,277 |
| N229DE | | \$2,568,695 | \$2,605,338 | \$2,670,472 | \$2,737,234 | \$2,805,664 | \$2,875,806 | \$2,947,701 | \$3,021,394 | \$3,096,929 | \$3,174,352 | \$28,503,585 |
| N344DD | | \$208,797 | \$949,408 | \$950,945 | \$1,019,563 | \$1,118,006 | \$1,278,719 | \$1,037,107 | \$1,170,424 | \$1,146,432 | \$1,877,756 | \$10,757,157 |
| N7232R | | \$959,463 | \$1,012,453 | \$1,021,690 | \$1,071,785 | \$1,069,881 | \$1,100,248 | \$1,124,043 | \$1,174,135 | \$1,209,581 | \$1,214,468 | \$10,957,747 |
| Totals | | \$8,120,430 | \$9,023,403 | \$9,449,656 | \$9,523,414 | \$9,795,130 | \$10,173,592 | \$10,161,166 | \$10,538,782 | \$10,752,990 | \$11,696,036 | \$99,234,544 |

Table A-5 Present Fleet - Should Cost

| DOE Albuquerque Present Fleet - Should Cost | | | | | | | | | | | | |
|---|------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Aircraft | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
| N135DE | | \$791,216 | \$787,450 | \$1,093,862 | \$842,951 | \$851,275 | \$869,197 | \$903,556 | \$919,191 | \$939,649 | \$659,431 | \$8,657,778 |
| N148DE | | \$361,301 | \$329,260 | \$337,491 | \$345,929 | \$354,577 | \$363,441 | \$372,527 | \$381,840 | \$391,386 | \$401,171 | \$3,638,923 |
| N162DE | | \$427,347 | \$471,106 | \$482,884 | \$494,956 | \$507,330 | \$520,013 | \$533,013 | \$546,339 | \$559,997 | \$573,997 | \$5,116,982 |
| N166DE | | \$1,816,072 | \$1,848,788 | \$1,895,007 | \$1,942,383 | \$1,990,942 | \$2,040,716 | \$2,091,734 | \$2,144,027 | \$2,197,628 | \$2,252,568 | \$20,219,865 |
| N229DE | | \$2,077,389 | \$2,096,234 | \$2,148,640 | \$2,202,356 | \$2,257,415 | \$2,313,850 | \$2,371,697 | \$2,430,989 | \$2,491,764 | \$2,554,058 | \$22,944,392 |
| N344DD | | \$157,427 | \$1,043,832 | \$1,043,289 | \$1,123,185 | \$1,238,810 | \$1,429,095 | \$1,136,527 | \$1,293,807 | \$1,262,249 | \$2,137,002 | \$11,865,223 |
| N7232R | | \$535,148 | \$583,331 | \$578,625 | \$622,555 | \$603,679 | \$623,116 | \$634,241 | \$676,486 | \$700,708 | \$687,804 | \$6,245,693 |
| Totals | | \$6,165,901 | \$7,160,003 | \$7,579,801 | \$7,574,319 | \$7,804,033 | \$8,159,434 | \$8,043,302 | \$8,392,687 | \$8,543,390 | \$9,266,041 | \$78,688,856 |



As the tables and chart illustrate, there is a large discrepancy between the normalized costs and what the costs should be.

AL avoids the large peaks and valleys of budgeting for aircraft maintenance by placing its aircraft engines under power-by-the-hour or similar contractual maintenance agreements. These agreements are performed by subcontractors to Ross Aviation. In the case of the DC-9s, the subcontract with Air Canada covers not only all engine maintenance and overhauls, but the entire airplane, including major inspections. These subcontracts should reduce the number of on-site maintenance personnel, and associated costs, required to maintain the fleet. The present cost of aircraft maintenance does not reflect this reduction. CAPS II included the use of the subcontracts in its life cycle cost analysis.

CAPS II considered these contractual arrangements and the work that is performed for the primary contractor when developing a model staffing plan for the analyses in the next section. The model staffing plan has also been used in the A-76 analysis.

If the current costs for aviation operations are inappropriate, what options does management have to reduce the costs?

Management has a number of performance options to address the current high costs:

- No longer maintain FAA operating certificates for the AL fleet
- Contract reform with the current fleet,
- Contract reform with fleet modernization,

- Convert to a federal workforce;
- Convert to a contractor-owned and -operated fleet; and
- No action.

The first option is to no longer maintain FAA operating certificates for the AL fleet. Additional options are to institute contract reform with either the current fleet or fleet modernization. A fourth option is to convert the aviation function at AL to a Federal workforce. The costs are shown below to illustrate that such conversion is economically viable and the best way to contain costs. A fifth option is conversion to a contractor-owned and -operated fleet. CAPS II examined the cost of the conversion option, and the results are also presented below. These last three options are based on the modernization of the fleet with more effective and efficient aircraft. The detailed discussions and the analysis are based on the current fleet mix with the sale of the B-200C and the addition of one DC-9-30 and one Lear 35.

“No action” is also an option. AL would maintain its current status with government -owned, contractor-operated aircraft. This option would assume that flight modernization does not take place, and the current fleet of aircraft is retained.

FAA Operating Certificate

One possible way to reduce costs is to no longer maintain FAA operating certificates for the AL fleet. When an FAA operating certificate is in place, the FAA provides external oversight of the operation and maintenance of those aircraft listed on the operations specifications of the certificate. Presently, the DC-9s are under the Part 121 certificate. The Lear 35, B-200C and one Twin Otter are under the Part 135 certificate. The G-III has not been placed under a certificate but is maintained and operated to Part 135 standards. The second Twin Otter is not under a certificate. The costs of maintaining the certificates are included in the cumulative overhead costs for the AL fleet as well as the direct operations costs for flight time involved in training, currency, and flight check rides.

The FAA established the commercial certification process as a control on companies and individuals that sell their flight services to the public. Incorporated within the certification process are elaborate sets of standards, controls, reports, examinations, and inspections to ensure continuous compliance. The oversight system relies on self reporting and periodic FAA on-site reviews of records. The FAA also provides periodic flight checks to certain flight crew members who then examine the remainder of the flight crews for standardization and proficiency. Other than these services, DOE makes no use of the certificates issued by the FAA. DOE is prohibited by law from selling of its flight services to the public. Since DOE does not sell its services outside of the Federal government, the primary purpose of holding the certificates is lost. These facts raise the question of whether the cost of maintaining the FAA operating certificates is more economic than the cost of self regulation and oversight.

The costs of maintaining FAA operating certificates include the costs of reporting off-normal activities, delayed departures, equipment malfunctions, and personnel incidents to the FAA. They also include the costs of researching, revising, and processing the policies, manuals, and compliance documents required of certificate holders. The initial cost of obtaining a certificate is substantial while the cost of maintaining one is less severe. Using identifiable costs from AL's accounting records, the costs are estimated to be approximately \$300,000 per year for certificate maintenance. The intangible costs include loss of control by DOE and the AL Aviation Program for certain issues of flexibility, oversight, and planning. The DOE Aviation Program has established the same standards of operation and airworthiness as the FAA's minimum acceptable criteria. These standards apply regardless whether a particular aircraft is being operated and maintained under FAA oversight or under DOE oversight. A potential benefit of maintaining some of the DOE fleet aircraft under Air Carrier operating certificates is the credibility of having third party (FAA) oversight. Whether this relationship is cost-effective should be further explored.¹⁴

Contract Reform with the Present Fleet¹⁵

Although the present fleet mix will not adequately serve mission requirements, CAPS II calculated the effect of a contract reform that would hold the costs of programmatic expense in a separate account and attribute all costs of aircraft ownership and operation to the aviation function. This reform is achievable through full implementation of FAIRS. The current fleet costs are reduced by \$20,545,688 over the 10-year study period simply by separating programmatic and aircraft operations costs. This exercise does not reduce DOE budget expenses because the programmatic costs remain and must be funded separately from the costs of aircraft ownership and operations. CAPS II conducted this analysis to illustrate that approximately \$2,000,000 per year has been and is being reported as AL aircraft cost, but is, in fact, not aircraft cost.

Contract Reform with Fleet Modernization

As this study is being completed, AL is preparing to solicit contract bids to operate its government-owned aircraft for the next 5-year performance period. Although the solicitation is for a service contract, the limitations and constraints in the present contract are carried into the new solicitation. These include the requirements for the successful bidder to hold Part 121 and Part 135 operating certificates and comply with an extensive list of DOE directives, many of which are obsolete. Reducing the costs of AL aircraft depends upon receiving bids in an open market competition. The solicitation has specified that aircraft costs are to be accounted using

¹⁴ See Recommendations and Tasks - AL

¹⁵ See AL appendix for detailed cost construction.

FAIRS. The definitions and accounting rules of FAIRS will eliminate the programmatic costs from being attributed to aircraft. CAPS II constructed “should cost” matrices for the future fleet, operated and maintained by a contractor. The cost construction is based on adjusted historic costs for the aircraft that would remain in the fleet and cost projections from Life Cycle Cost 2000.¹⁶ The new aircraft that CAPS II recommends acquiring were added. In addition, a staffing plan that supports both the future fleet and mission requirements was established. The cost construction is based on an MEO staffing plan for direct labor and operations management with a contract override for administrative overhead. Market costs for personnel positions were used and nominal factors for operations overhead and administrative overhead were added. A fair return for profit was then added.

CAPS II calculated the cost of the aviation service in “Contract Reform with Fleet Modernization” by adjusting the reported costs for program driven requirements and reallocating direct expenses to actual procurements for each aircraft. Table A-6 shows the extrapolation of the future fleet costs of government-owned AL aircraft operated under a service contract incorporating the contract reforms discussed in this section. The table represents operational expenses for the 2002–2011 study period.

¹⁶

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Table A-6

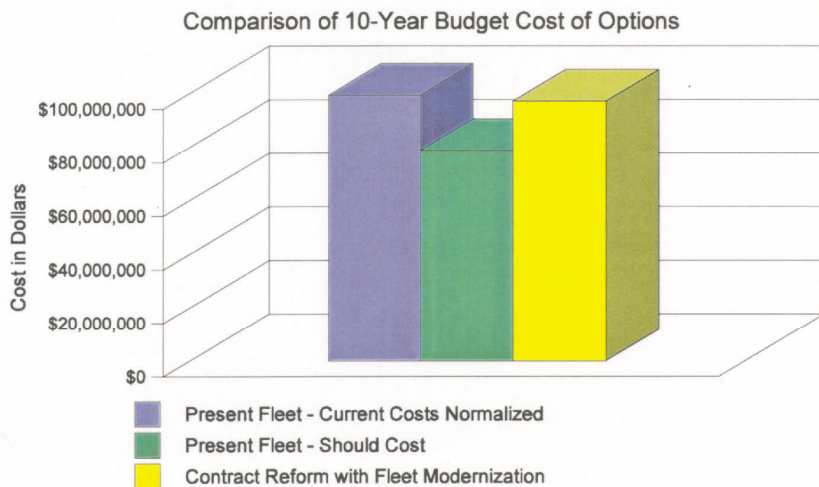
| DOE Albuquerque - Contract Reform with Fleet Modernization | | | | | | | | | | | | |
|---|-------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|
| Aircraft | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
| N135DE | LR-35 | \$776,999 | \$790,363 | \$1,049,460 | \$844,635 | \$855,966 | \$875,857 | \$914,472 | \$922,911 | \$950,854 | \$988,266 | \$8,969,743 |
| N148DE | DHC-6 | \$453,818 | \$465,164 | \$476,793 | \$488,712 | \$500,930 | \$513,453 | \$526,290 | \$539,447 | \$552,933 | \$566,757 | \$5,084,297 |
| N162DE | DHC-6 | \$453,818 | \$465,164 | \$476,793 | \$488,712 | \$500,930 | \$513,453 | \$526,290 | \$539,447 | \$552,933 | \$566,757 | \$5,084,297 |
| N166DE | DC-9 | \$1,696,313 | \$1,738,721 | \$1,782,189 | \$1,826,744 | \$1,872,412 | \$1,919,223 | \$1,967,203 | \$2,016,383 | \$2,066,793 | \$2,118,463 | \$19,004,434 |
| N229DE | DC-9 | \$1,696,313 | \$1,738,721 | \$1,782,189 | \$1,826,744 | \$1,872,412 | \$1,919,223 | \$1,967,203 | \$2,016,383 | \$2,066,793 | \$2,118,463 | \$19,004,434 |
| N344DD | G-III | \$1,068,633 | \$1,037,308 | \$1,029,437 | \$1,089,822 | \$1,027,796 | \$1,331,111 | \$1,079,829 | \$1,202,959 | \$1,168,245 | \$1,888,291 | \$11,923,431 |
| Add DC-9 | DC-9 | \$1,696,313 | \$1,738,721 | \$1,782,189 | \$1,826,744 | \$1,872,412 | \$1,919,223 | \$1,967,203 | \$2,016,383 | \$2,066,793 | \$2,118,463 | \$19,004,434 |
| Add LR35 | LR-35 | \$776,999 | \$790,363 | \$1,049,460 | \$844,635 | \$855,966 | \$875,857 | \$914,472 | \$922,911 | \$950,854 | \$988,266 | \$8,969,783 |
| Totals | | \$8,619,206 | \$8,764,525 | \$9,428,510 | \$9,236,748 | \$9,358,824 | \$9,867,400 | \$9,862,962 | \$10,176,824 | \$10,376,198 | \$11,353,726 | \$97,044,923 |
| The above future fleet is based on: 425 hours for each of the DC-9s 255 hours for each of the Dash 6s 325 hours for the Lear 35 350 hours for the Gulfstream III Ops. O/H at actual costs from the staffing plan G&A is at 12% of direct labor and benefits, plus 6% of direct labor and benefits for Profit/Fee Variable maintenance labor costs are man-hours per flight hour from the LCCA or the Aircraft Cost Evaluator Maintenance labor costs are split 50% to direct costs (variable) and 50% to fixed costs with the fixed cost share distributed to all aircraft based on flight hours Ops. O/H is distributed to all aircraft based on total flight hours Year one excludes purchase of the additional DC-9 at \$4,000,000, and the LR-35 at \$3,425,000 | | | | | | | | | | | | |

Our calculations, using Life Cycle and A-76 methodologies, show that DOE should be able to modernize the AL fleet, increase service to the operating programs, and still save money over the current contract costs.

The 10-Year budget costs shown in Table A-7 below are the DOE expenses from appropriated funds. These were calculated in each of the categories by normalizing one year of costs to the first year of performance (2002) and extrapolating the resultant numbers through 10 years while adjusting for inflation. These costs include aircraft maintenance costs for parts overhaul and replacement.

Table A-7 10-Year Budget Cost of Options

| | Present Fleet - Current Costs Normalized | Present Fleet - Should Cost | Contract Reform with Fleet Modernization |
|----------------|--|-----------------------------|--|
| 10-Year Budget | \$99,234,544 | \$78,688,856 | \$97,044,923 |



Conversion to a Federal Workforce

CAPS II developed an MEO to consider the conversion of the workforce to Federal employees. The positions were based on a calculated workload to meet the *future fleet* flight and maintenance schedules. Grades and positions were assigned using Federal Personnel Manual guidance and the X-118 standards. These standards result in grades and salaries that differ from the grades and salaries used in the RFP recently advertised by AL. However, the team believes that the resultant Federal organizational structure presents the most mission and cost-effective plan for Government performance of the AL aviation activity. The calculated cost of Government performance is \$3,735,550 less than contracted performance as shown in Table A-8. Failure to receive bids that approximate the cost of Government performance or failure of future

contracted performance to hold costs comparable to the costs of Government performance should trigger a review of the contract and possible conversion.

Table A-8

| DOE Albuquerque Future Fleet - Conversion to a Federal Workforce | | | | | | | | | | | | |
|--|------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Aircraft | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
| N135DE | | \$755,452 | \$768,277 | \$1,026,822 | \$821,431 | \$832,182 | \$851,478 | \$889,484 | \$897,299 | \$924,601 | \$961,357 | \$8,728,383 |
| N148DE | | \$435,732 | \$446,625 | \$457,791 | \$469,236 | \$480,967 | \$492,991 | \$505,316 | \$517,948 | \$530,897 | \$544,170 | \$4,881,673 |
| N162DE | | \$435,732 | \$446,625 | \$457,791 | \$469,236 | \$480,967 | \$492,991 | \$505,316 | \$517,948 | \$530,897 | \$544,170 | \$4,881,673 |
| N166DE | | \$1,631,711 | \$1,672,503 | \$1,714,316 | \$1,757,174 | \$1,801,103 | \$1,846,131 | \$1,892,284 | \$1,939,591 | \$1,988,081 | \$2,037,783 | \$18,280,677 |
| N229DE | | \$1,631,711 | \$1,672,503 | \$1,714,316 | \$1,757,174 | \$1,801,103 | \$1,846,131 | \$1,892,284 | \$1,939,591 | \$1,988,081 | \$2,037,783 | \$18,280,677 |
| N344DD | | \$1,008,276 | \$975,442 | \$966,025 | \$1,024,824 | \$961,174 | \$1,262,823 | \$1,009,833 | \$1,131,214 | \$1,094,706 | \$1,812,913 | \$11,247,230 |
| ADD DC-9 | | \$1,631,711 | \$1,672,503 | \$1,714,316 | \$1,757,174 | \$1,801,103 | \$1,846,131 | \$1,892,284 | \$1,939,591 | \$1,988,081 | \$2,037,783 | \$18,280,677 |
| ADD LR35 | | \$755,452 | \$768,277 | \$1,026,822 | \$821,431 | \$832,182 | \$851,478 | \$889,484 | \$897,299 | \$924,601 | \$961,357 | \$8,728,383 |
| | | | | | | | | | | | | |
| Totals | | \$8,285,777 | \$8,422,755 | \$9,078,199 | \$8,877,680 | \$8,990,781 | \$9,490,154 | \$9,476,285 | \$9,780,481 | \$9,969,945 | \$10,937,316 | \$93,309,373 |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |

The above future fleet is based on:

425 hours for each of the DC-9s

255 hours for each of the Dash 6s

325 hours for the Lear 35

350 hours for the Gulfstream III

Staffing of 45 positions for a total cost of \$2,454,001

Ops. O/H at actual costs from the staffing plan, G&A is 12% of the gross labor and benefits

Variable maintenance labor costs are man-hours per flight hour from the LCCA or the Aircraft Cost Evaluator

Maintenance labor costs are split 50% to direct costs (variable) and 50% to fixed costs with the fixed cost share distributed to all aircraft based on flight hours

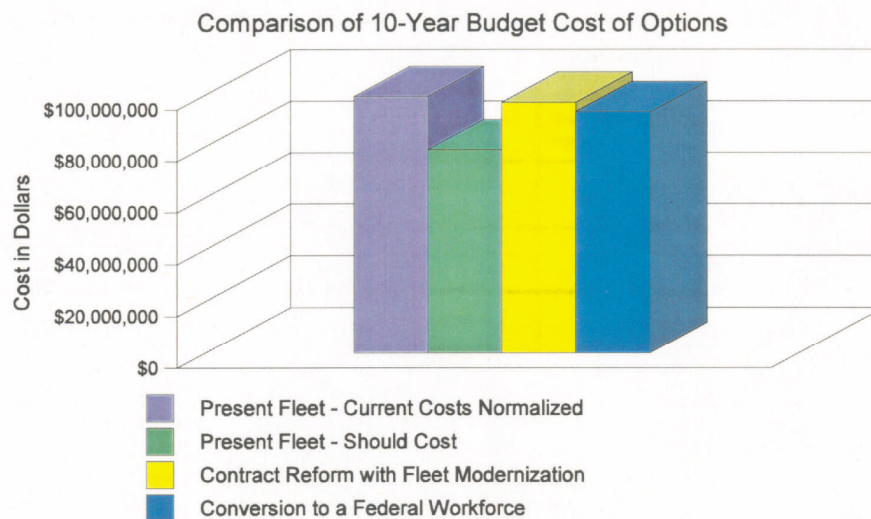
Ops. O/H is distributed to all aircraft based on total flight hours

Year one excludes purchase of the additional DC-9 at \$4,000,000. and the Lear 35 at \$3,425,000

As shown in Table A-9, conversion to a Federal workforce is less costly than any of the other proposed options.

Table A-9 10-Year Budget Cost of Options

| | Present Fleet - Current Costs Normalized | Present Fleet - Should Cost | Contract Reform with Fleet Modernization | Conversion to a Federal Workforce with Fleet Modernization |
|----------------|--|--------------------------------|---|---|
| 10-Year Budget | \$99,234,544 | \$78,688,856 | \$97,044,923 | \$93,309,373 |

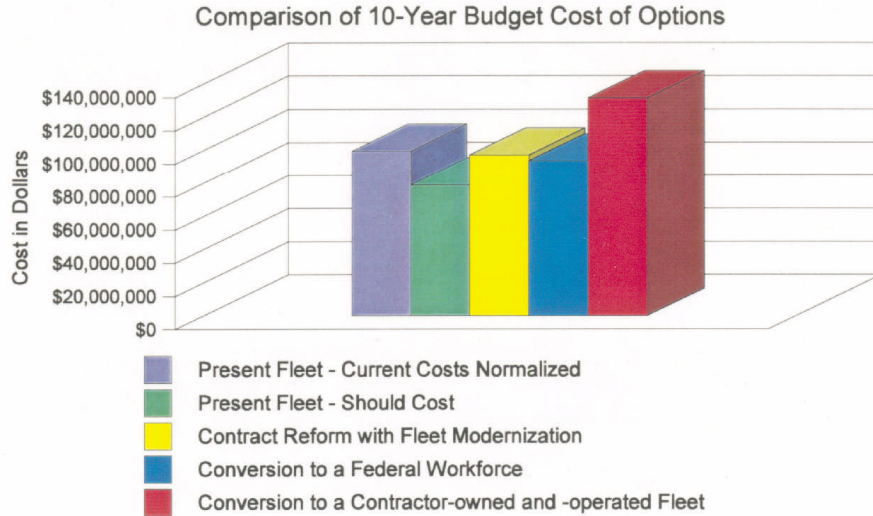


Conversion to Contractor-owned and -operated Fleet

Table A-10 shows that to replace the DOE fleet with a contractor-owned and -operated fleet would cost \$131,374,501 for the 10-year period. The cost for this option would be offset by a gain of \$22,400,000 on the disposition of the present fleet, less the costs of conversion. The net cost of converting to a contractor-owned and -operated fleet would then be \$108,974,501, which is \$11,929,578 more expensive than the “Contract Reform with Fleet Modernization” option.

Table A-10 10-Year Budget Cost of Options

| | Present Fleet - Current Costs Normalized | Present Fleet - Should Cost | Contract Reform with Fleet Modernization | Conversion to a Federal Workforce with Fleet Modernization | Conversion to a Contractor-owned and -operated Fleet |
|-------------------|--|--------------------------------|--|--|---|
| 10-Year Budget | \$99,234,544 | \$78,688,856 | \$97,044,923 | \$93,309,373 | \$131,374,501 |



No Action

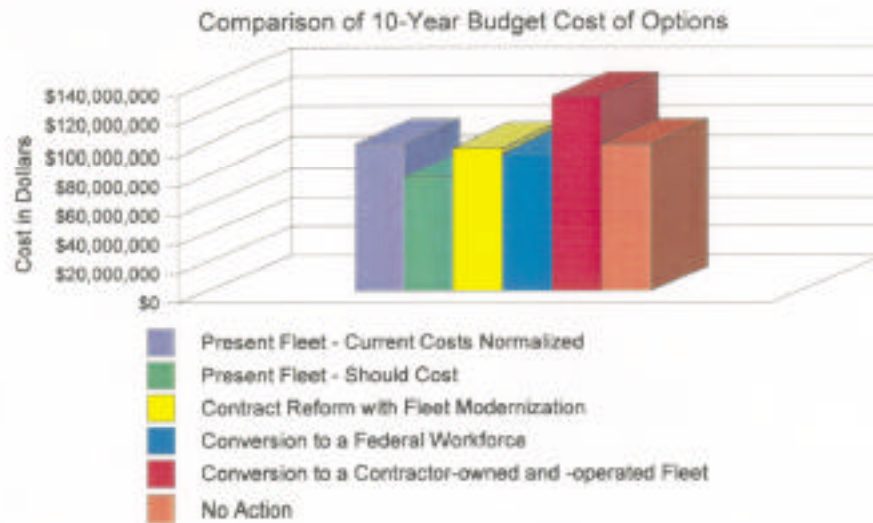
Management may choose to perpetuate the present fleet composition and contract structure. With AL program managers, CAPS II reviewed and analyzed classified weapons movement requirements for the next 10 years. The team translated the cargo weight, bulk, and schedule into mission and flight time requirements. Since the weapons surety and transportation safeguards future missions' requirements cannot be met by the present fleet, major reductions in those programs, rescheduling, or other precipitous management actions would necessarily result. All other transportation alternatives, including ground transportation, would be several times more costly than the alternatives presented in this section.¹⁷ As shown in Table A-11, if the present fleet and contract methods were carried throughout the life cycle of the study period, the budget expense would total \$99,234,544 for the 10-year study period. The "Contractor Reform with Fleet Modernization" option also saves more than \$2,189,621 over the life cycle study period compared with "no action."¹⁸

Table A-11 10-Year Budget Cost of Options

| | Present Fleet - Current Costs Normalized | Present Fleet - Should Cost | Contract Reform with Fleet Modernization | Conversion to a Federal Workforce with Fleet Modernization | Conversion to a Contractor- owned and -operated Fleet | No Action |
|-------------------|---|-----------------------------------|---|--|---|--------------|
| 10-Year Budget | \$99,234,544 | \$78,688,856 | \$97,044,923 | \$93,309,373 | \$131,374,501 | \$99,234,544 |

¹⁷ Reference AL Transportation Study, Draft Report, dated January 24, 2001.

¹⁸ See Table A-6 and AL LCCA Appendices.



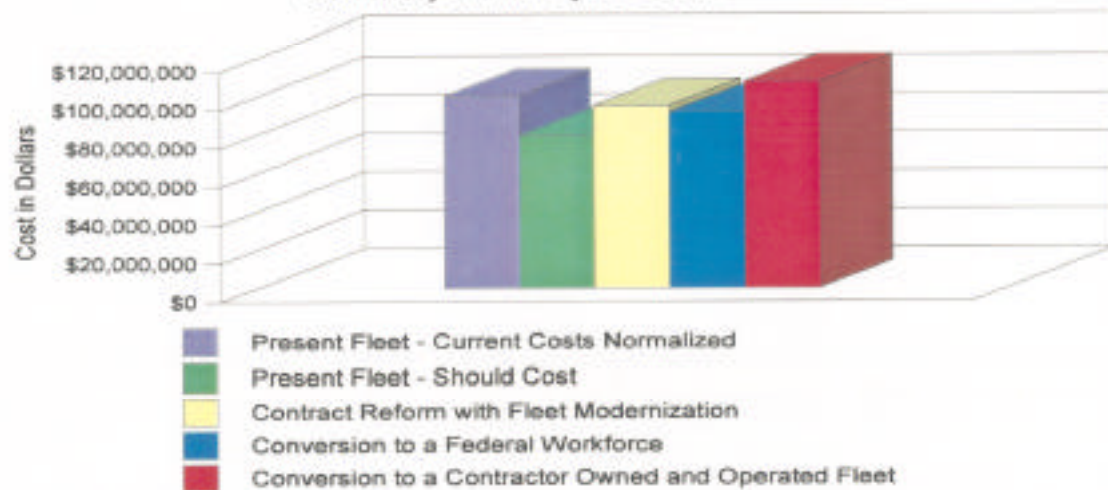
Summary of the Options and Costs for Comparison of Budget Costs and Life Cycle Costs

The following table (Table A-12) and chart summarize the different options. As discussed above, the 10-year budget costs are the DOE expenses from appropriated funds. The life cycle costs are the costs to the U.S. taxpayer. The life cycle costs were calculated by taking the present value or price of each aircraft at the beginning of the performance period (2002) and subtracting the residual value of the aircraft at the end of the performance period (2011). The result is the cost of ownership for the period. In some cases, this resulted in a negative number if the particular aircraft history shows an expected increase in value. The cost of ownership was then added to the budget cost to produce the life cycle cost. In the case of the "Conversion to a Contractor-owned and -operated Fleet" option, the present value of the aircraft is subtracted from the 10-year contract cost to yield a total cost to the taxpayer. The present value of the fleet, \$23,925,000, assumes that it would be sold on the open market with the proceeds deposited in the General Fund of the Treasury. The proceeds would not be available to DOE under the property disposal regulations but would serve as an offset to the DOE budget cost from the taxpayer's perspective. DOE would sustain the full cost of the contracted service.

Table A-12. Albuquerque 10-Year & Life Cycle Cost of Options

| | 10-Year Budget | Life Cycle Cost |
|--|----------------|-----------------|
| Present Fleet - Current Costs Normalized | \$99,234,544 | \$99,996,044 |
| Present Fleet - Should Cost | \$78,688,856 | \$79,450,356 |
| Contract Reform with Fleet Modernization | \$97,044,923 | \$94,927,257 |
| Conversion to a Federal Workforce with Fleet Modernization | \$93,309,373 | \$91,448,373 |
| Conversion to a Contractor-owned and -operated Fleet | \$131,374,501 | \$107,499,501 |

Summary of Life Cycle Costs



The "Present Fleet - Current Costs Normalized" are the current costs of operations and maintenance as reported by the contractor. These costs are adjusted to add or subtract costs that were inconsistently reported. They continue to include those programmatic costs that are presently reported in overhead.¹⁹

The "Present Fleet - Should Cost" numbers show the present costs adjusted by removal of programmatic expenses and adoption of the model overhead redistribution discussed earlier. These projections include the contract reforms for accounting and management practices.²⁰

¹⁹ See Table A-4, page 22 for annualized detail.

²⁰ See Table A-5, Page 22, for annualized detail.

The “Contract Reform with Fleet Modernization” costs represent the expected expenses of the fleet adjusted by sale of the NV B-200, purchase of another LR-35, and purchase of a DC-9-30. The fleet modernization options include a substantial increase in flying hours over the present fleet. Fleet modernization costs are based on the MEO staffing plan which has been applied to this analysis and to the A-76 analysis.²¹

“Conversion to a Contractor-owned and -operated Fleet” costs are derived from existing government contracts and vendor quotes for similar aircraft and services. These costs are based on exclusive, full-time use of the aircraft.

Life cycle cost analysis clearly favors Government ownership of the fleet rather than contractor-owned aircraft. The choice between Government and contract performance is less clear. The projected costs for both show that the choice of a Federal workforce is less costly than a contractor workforce even after contract reforms. The difference in cost is small enough to be considered statistically debatable. However, if contract reform fails to bring contracted costs down to the target levels discussed, the choice to convert to Federal performance is advantageous to both DOE and the U.S. taxpayers.

Detailed life cycle cost analyses are included in the AL appendix to this report.

Guidelines for Contract Recompetition

When evaluating the bids received for the present contract solicitation, AL should determine whether the costs in the “Conversion to a Federal Workforce with Fleet Modernization” option will be achieved by the successful bidder. CAPS II has calculated the costs of converting the present contracted aviation services to a Federal workforce.²² Using the methodologies and analyses of the OMB A-76 process, the team established a MEO staffing plan with personnel positions, grades, and costs that would be needed to support the future fleet and flying hour program. The target contractor organization was also based upon the same staffing plan with a generous allowance to the contractor for overhead functions. The costs of these staffing plans are virtually identical. If the contract bids do not indicate that AL can hire a contractor for the cost of the “Conversion to a Federal Workforce with Fleet Modernization” option, AL can achieve these costs by converting to a Federal workforce.

A-76 Cost Study Analysis

CAPS II performed a parallel cost study and analysis under the provisions of OMB Circular A-76. The operational parameters, scale of work, and time frames were identical to those of the preceding life cycle cost analysis. The team worked with the AL Aviation Program Manager to

²¹ See AL appendix for the MEO Staffing Plan and costs.

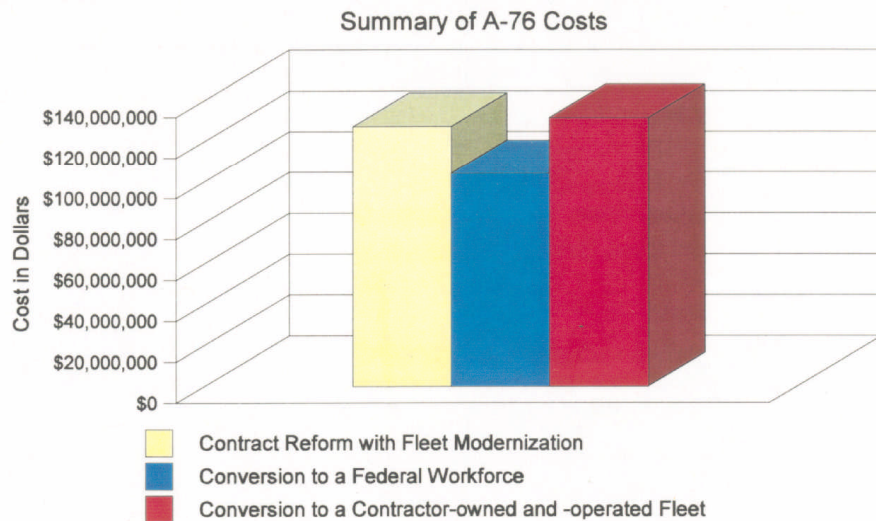
²² See Future Fleet GOGO analysis in the AL appendix.

define an MEO and staffing plan for the future fleet of aircraft. The Quality Assurance Surveillance Plan (QASP) was constructed and applied to both contractor and government performance during the analysis. Using A-76 cost analysis methodologies, the projected costs of “Conversion to a Contractor-owned and -operated Fleet,” “Conversion to a Federal Workforce” and “Contract Reform with Fleet Modernization” options that were developed during the life cycle process were reviewed. The total cost from the A-76 analysis for conversion to, and operation by, Federal employees results in lower cost than contract performance for the 10-year study period, even with a reformed contract structure as discussed in the life cycle analysis and previously discussed. The “Conversion to a Federal Workforce” option totals \$103,919,062 compared with “Contract Reform with Fleet Modernization” performance at \$131,374,501. A-76 analysis clearly favors Government performance. Detailed A-76 analyses are included in the AL appendix to this report. Readers are cautioned that the costs projected by the A-76 process do not necessarily represent real-world expectations of either budget costs or life cycle costs. The A-76 process prescribes certain constants and methodologies that result in a type of “make-or-buy” analysis and resemble true market conditions only incidentally. A more accurate projection is obtained by the life cycle methodology used in this overall analysis. Table A-12 compares the results of the A-76 analysis with the previously discussed life cycle analysis.

Table A-13 Albuquerque A-76 Cost of Options

| | 10-Year Budget | Life Cycle Cost | A-76 Cost |
|--|----------------|-----------------|---------------|
| Present Fleet - Current Costs Normalized | \$99,234,544 | \$99,996,044 | XXX |
| Present Fleet - Should Cost | \$78,688,856 | \$79,450,356 | XXX |
| Contract Reform with Fleet Modernization | \$97,044,923 | \$94,927,257 | \$127,109,221 |
| Conversion to a Federal Workforce with Fleet Modernization | \$93,309,373 | \$91,448,373 | \$103,919,062 |
| Conversion to a Contractor-owned and -operated Fleet | \$131,374,501 | \$107,499,501 | \$131,374,501 |

XXX - function not calculated



Recommendations

The CAPS II review of AL aviation activities discovered two significant issues requiring management attention:

1. An in-depth cost review of contractor accounting practices revealed that ***unexpectedly high overhead rates were being applied to the cost of aviation operations.***

The recent award of a new contract with stronger internal controls coupled with a new and enhanced Federal aviation management team at AL are expected to contain contract costs within the projections of this study. AL should frequently review costs and reports of the contractor with the goal of early detection when problems arise and rapid correction to prevent escalation.

2. ***The present fleet mix of aircraft cannot effectively nor economically meet mission requirements.***

See the recommendations summary which follows.

CAPS II
Recommendations and Tasks
Albuquerque Operations Office

| | |
|--|-----------|
| NNSA, Defense Programs (DP), and SO: | 2001-2002 |
| In the short term, assure sufficient funds for AL to lease one DC-9-30 until appropriations are available to purchase. | |
| Support the purchase or lease-purchase of one DC-9-30 as an addition to the fleet. Provide funds to acquire and place the aircraft in service. | 2002-2003 |
| Support the transfer of the AL B-200C to NV, the transfer of the NV Cessna Citation to AL for disposal, and replacement with one Lear 35. Provide differential funding to make up the difference between the sale proceeds from the BO-105s, the NV B-200, and the Cessna Citation and the purchase cost of the Lear 35 and DC-9-30. | 2002 |

| | |
|--|-----------|
| AL: | Complete |
| Direct the contractor to adopt and implement the accounting and reporting standards of the FAIRS. Monitor implementation and compliance. | |
| Incorporate FAIRS standards into the AL Implementation Plan. Assure future contract operations comply with FAIRS. | Complete |
| Monitor contract costs toward the target of future costs described in this report. If future costs cannot be substantially brought into compliance with the target, convert to a Federal workforce to achieve reduced costs. | 2002-2005 |
| Conduct a cost/benefit analysis of FAA operating certificates for AL operation. Incorporate analysis assistance from OAM. | 2002 |
| Plan for fleet modernization by researching market availability and prices of additional fleet airplanes. When funds are available, solicit for acquisition of one DC-9-30 and one Learjet. | 2000-2002 |
| Transfer the B-200C to NV. | 2002 |
| Following 3 full years of service, conduct a post-MEO and life cycle review of the costs and utility of the G-III. Plan to retain or dispose of the aircraft depending upon the results of the reviews. | 2004 |

| | |
|---|-----------|
| OAM: Work with the NNSA DP, and SO program offices to secure funding to modernize the AL fleet. | 2001–2002 |
| Assist AL and the contractor to fully implement FAIRS. Provide technical assistance visits to monitor and refine AL use of FAIRS. | 2000–2001 |
| Assist AL in a cost/benefit analysis of FAA operating certificates. Apply lessons learned, as appropriate, to other DOE aviation operations through policy changes. | 2001 |
| At the request of AL, negotiate an Exchange Sale Waiver with GSA for the BO-105s, the Cessna Citation, and the NV B-200. | 2001 |

Preface to Nevada Operations Office

Actions to Support the 5-Year Plan

The CAPS II study commenced in November 1999 with development of a study plan, briefing of the study team members, work assignments, interview schedules, and data gathering from field sites and the private sector. Throughout the succeeding 12 months, the team worked to reduce the data to common terms, research and quantify the cost of alternate aircraft and management systems, select best options, and write a report of the results. Cognizant headquarters program offices and key personnel from the field offices were involved during the entire process. In December 2000, the draft report was distributed to the affected program offices and field offices for review and comments.

Since the release of the draft report, SO-40, the cognizant program office at DOE for the RSL and the NV aviation program, made some program decisions that affected the results of the NV CAPS II study and rendered moot some of the findings and recommendations in the draft report. Thus, this Preface has been written to revise the original CAPS II recommendations.

The first of these decisions, based in part on the draft of this report released in December 2000, was to discontinue the use of NV's four BO-105 helicopters and transfer their control to OAM for disposition. This decision is in consonance with the findings and recommendations of the draft CAPS II report. OAM is requesting an exchange sale waiver for these four helicopters in order to realize the market value of approximately \$2,000,000, which will be applied toward the acquisition of a transport category airplane to be based in AL (see the AL chapter of the CAPS II study report).

The second decision, the approval of a new 5-Year Plan for the RSL in 2000, has caused a more fundamental change. It calls for the elimination of all organic aircraft in NV within 5 years. The NV RSL maintains a fleet of aircraft consisting of two Bell-412s and four BO-105 helicopters, two Beechcraft B-200s, and one Cessna Citation II CE-550. The basis of the decision to eliminate organic aircraft is the premise that sensor technology and telemetry will be improved to the point that the sensors can be applied to any aircraft capable of carrying them, and cooperating agencies will provide all such aviation support. At that point, NV would have no further need for its organic aircraft.

However, this final CAPS II report retains the analyses published in the draft report that support a continuing need for aircraft in NV. If the advances in technology fail to meet the stated expectations of the 5-Year Plan, OAM should reopen the question of organic aircraft need in NV using the following NV chapter as a basis. If the development of sensor technology eventually meets program expectations, as expressed in the 5-Year Plan, NV should surrender control of its assigned aircraft to OAM for reassignment or disposition.

Regardless of what happens in five years, the current level of use and the need for aircraft in NV is not economically served by the five remaining fleet aircraft. SO-40 has recently determined that the two Bell-412 helicopters are sufficient to provide all needed helicopter support. While the CAPS II team still maintains that the B-200s are not the best aircraft for the NV mission (see the following NV section), in light of the SO-40 decision to eliminate all organic aircraft from NV within 5 years, CAPS II now concedes that keeping the B-200s is the best and most economical short term solution to meet NV's aviation mission. The B-200s can assume the Citation's mission and are capable of performing sensor missions as well as high altitude photography.

Additionally, in order to provide commonality of aircraft types in the organization, it has now been determined that both of NV's Beechcraft B-200s should have sensor port(s); currently, only one does. This would also allow the B-200s to achieve parity of use and assume the Citation's mission. Although NV's B-200 could be modified to add the sensor port(s), AL's B-200C is equipped with a cargo door that would facilitate the installation and removal of sensor systems. In addition, the NV B-200 will require an engine overhaul at a cost of \$688,000 at a minimum. Modifying the AL B-200C will save this expense. Therefore, CAPS II now recommends that the AL B-200C be transferred through OAM to NV for modification. This plan should begin immediately. OAM will manage this transfer and take control of the other, unmodified B-200 from NV for an exchange sale. Proceeds from the sale of the NV B-200 would be used to offset the purchase cost of an aircraft for AL (see AL section).

The Cessna Citation assigned to NV has seen relatively low utilization in recent years, and most of the flying time on the airplane prior to FY 2000 was for training, pilot proficiency, aircraft maintenance, and "work for others" that is outside of the core RSL/NV mission. CAPS II originally recommended that NV dispose of the Citation and replace it with a more appropriate aircraft for the mission. During the review of the December 2000 draft report, NV stated that they should retain the Citation because the "work for others" missions were of particular importance to the general good. CAPS II has reevaluated the activity and cost of the Citation using FY 2000 data. Although NV has managed to reduce the incremental cost of the Citation by adopting revised accounting and reporting standards, the operations cost remain high. High cost and lack of requirements within the core RSL/NV mission for an aircraft of this type provide sufficient rationale for the Citation to be released to OAM for disposition or reassignment. NV should not replace the aircraft since the B-200s can assume the Citation's mission.

The RSL activities are part of the overall scope of work for the NV M&O contract held by Bechtel Nevada. NV objected to the language in the December 2000 draft CAPS II report that expressed concern with NV's high cost of aircraft operations and the possibility that both contracting and accounting methods at NV were driving up the reported costs. After discussion with OAM, NV made a concerted effort to revise its reporting criteria to comply with GSA's FAIRS criteria. For FY 2000, the reported costs are substantially lower than reported in prior years for the same aircraft. However, the CAPS II team had judged that NV's overhead costs were unusually high using FY 1999 and prior years' data. NV contended that adopting the

FAIRS reporting criteria had brought its reported costs into line with comparable data from industry.

CAPS II made a detailed analysis using NV's FY 2000 report compared with corporate use of the same types of aircraft and the same number of flying hours. The comparison used historical data from WIN 32, a commercial database produced by Conklin & de Decker of Orleans, MA. Conklin & de Decker is highly regarded in the aviation industry as the premier source of cost data and comparison methodologies for corporate aircraft.

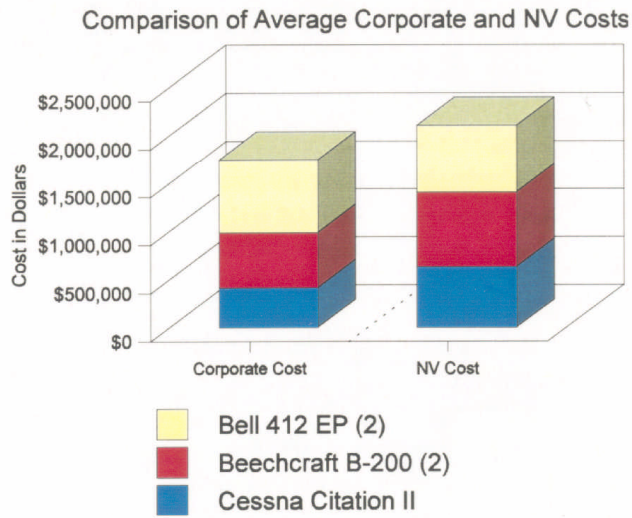
For FY 2000, NV reported a total of 1,034 flying hours at a cost of \$3,055,305. This total included 302 hours, and \$951,048 for two of the four BO-105s. Two of the BO-105s were in storage and did not fly in FY 2000. All of the BO-105s are now in the process of disposition and their use and costs have not been included in the comparison. The mission of the BO-105s will be absorbed by the Bell-412s, which will raise their annual usage in FY 2001 and beyond. Five aircraft remain in the NV fleet including the following aircraft:

- one Cessna Citation II
- two Beechcraft B-200s
- two Bell-412 EPs

Table NV-1 and chart illustrate the comparison between corporate costs and NV.

Table NV-1 Comparison of Average Corporate and NV Costs

| Type | Flying Hours | Average Corporate Costs | NV Costs |
|----------------------|--------------|-------------------------|--------------------|
| Cessna Citation II | 194 | \$414,894 | \$631,916 |
| Beechcraft B-200 (2) | 299 | \$572,360 | \$772,179 |
| Bell-412 EP (2) | 238 | \$758,176 | \$700,162 |
| TOTAL | 731 | \$1,745,430 | \$2,104,257 |



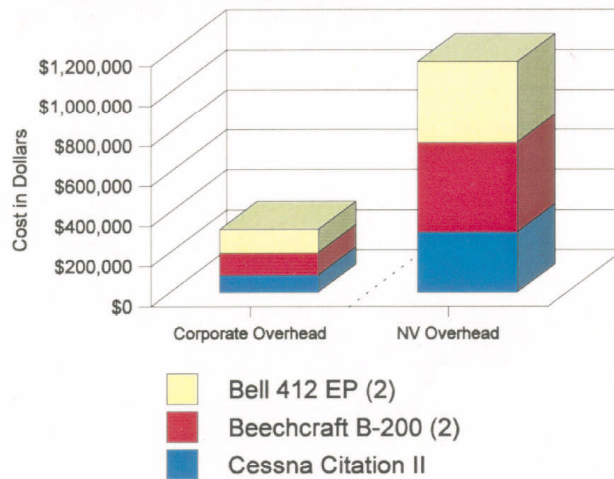
Of the 1,034 reported flying hours, 306 were for training and proficiency and 201 for maintenance. Only 527 hours, or roughly 50 percent of the flying hours, were attributed to mission work. NV did not break out the amount of its aviation activity that was performed for its core missions, as assigned by SO-40, nor the amount of activity performed as “work for others,” whether within or outside DOE.

A detailed review of the reported costs by category presents some interesting contrasts between average corporate costs and NV costs for operation of these aircraft. Table NV-2 shows this comparison and illustrates that NV continues to have extraordinarily high overhead costs despite its concerted efforts to revise its accounting and reporting procedures. The contention in the December 2000 Draft CAPS II report that NV’s cost of aircraft operations is high is reaffirmed.

Table NV-2 Comparison of Average Corporate and NV Overhead Costs

| NV Operations Office FY 2000 | Average Corporate Overhead | Average Corporate Overhead as % of Total Cost | NV Overhead | NV Overhead as % of Total Cost |
|---------------------------------|-------------------------------|---|-------------|-----------------------------------|
| Cessna Citation II | \$85,532 | 20% | \$300,088 | 47% |
| Beechcraft B-200 (2) | \$111,556 | 19% | \$446,981 | 57% |
| Bell-412 EP (2) | \$116,101 | 15% | \$404,630 | 57% |

Comparison of Average Corporate and NV Overhead



The above analysis by the CAPS II team results in the following recommendations that supercede those in the NV chapter of this report. In summary, the following actions should be undertaken:

| Action | Who | When |
|--|-------------------------------|--------------|
| Transfer the AL B-200C to NV | OAM with AL and NV assistance | NLT 10/01/01 |
| Modify the transferred B-200C with necessary sensor ports and power | NV | NLT 01/30/02 |
| Transfer control of the NV Citation to OAM for disposition or reassignment | NV | NLT 01/30/02 |
| Transfer the excess NV B-200 from NV to OAM | NV | NLT 01/30/02 |
| Dispose or reassign the Citation and B-200 to achieve the best mission and economic benefits for DOE | OAM | NLT 02/15/02 |

Nevada Operations Office

Written Prior to the Release of the 5-Year Plan

Nevada maintains a fleet of aircraft to support RSL and its Aerial Measurement System (AMS). The AMS provides both planned and emergency response environmental analysis of commercial and Government facilities using airborne photography and multispectral and radiological sensors. The CAPS I survey recognized the AMS capability as a National asset used not only by DOE but by other agencies, such as the Nuclear Regulatory Commission, Environmental Protection Agency, and U.S. Forest Service.²³ The core DOE AMS mission requires flight crews and aircraft to be available on short notice, 24 hours per day, 365 days per year.

Analysis of NV's missions and the use of aircraft by the RSL confirms the findings of CAPS I that separation of the aviation function from the RSL is counterproductive and will likely lead to coordination and management problems that would further escalate costs. This is particularly true in the event that separate contracts and different contractors were attempting to provide the aviation and RSL services. Aviation is primarily a service function for the RSL and is crucial to the mission accomplishment. The Laboratory science staff and aviation crews work as an integrated unit during design, development, and deployment of the sensor systems. The same concerns were expressed to the team by the NV and RSL managers who were interviewed for this study. For these reasons, CAPS II believes that any management solution appropriate for the NV aviation program are appropriate for the RSL as an entity.

Prior to the release of the RSL 5-Year Plan, CAPS II reviewed NV aviation operations. The review investigated four significant issues:

- 1. Can the present fleet mix of aircraft effectively and economically meet its mission requirements?***
- 2. If the present fleet mix of aircraft cannot meet its mission requirements, what is the optimum fleet mix and what specific aircraft should be used?***
- 3. Are the Bechtel-Nevada costs for aviation operations appropriate?***
- 4. If the current costs for aviation operations are inappropriate, what options does management have to reduce the costs?***

Can the present fleet mix of aircraft effectively and economically meet its mission requirements?

The RSL maintains a fleet of aircraft consisting of two Bell-412s and four BO-105 CBS helicopters, two Beech B-200s, and one Cessna Citation II CE-550. As of April 2001, the four BO-105 helicopters have been removed from service and placed with OAM for disposition. This decision resulted from the pointed lack of economic and operational capability of these aircraft.

²³

See CAPS I NV discussion.

Further discussion of the BO-105s in this chapter shows the justification for the decision to remove them from service. The fleet of Government-owned aircraft is operated by the NV M&O Contractor, a joint venture headed by Bechtel, Inc., and is located at Nellis Air Force Base, NV, and at Andrews Air Force Base, MD. Each type of aircraft is modified and equipped to perform a specific mission. The helicopters perform the most detailed, low-altitude radiation surveys. The B-200s perform wide area radiation surveys, and one also has camera ports for photo and multispectral sensing. The Citation performs high altitude photography as well as multispectral sensing. The helicopters and airplanes are generally not interchangeable due to specific modifications, different performance capabilities, and limitations.

Bell-412

The existing Bell-412 helicopters were originally reassigned to NV when they became excess to another mission in DOE. These helicopters have proven capable and reliable. They are able to carry multiple sensors and achieve 3 hours of flight in a mission configuration before refueling. The 412s have adequate power for all mission profiles and flyaway single engine capability.



Messerschmidt Boelkow Bloem BO-105 Helicopters

Since the release of the draft report, NV has discontinued the use of their four BO-105 helicopters and transferred their control to OAM for disposition. The BO-105s are operationally limited in their capability. The characteristics of the BO-105 that limit its capability include the following:

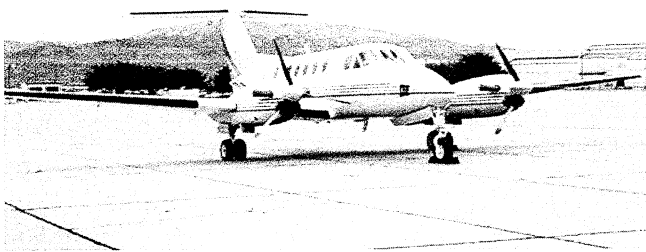


- New airborne sensors, such as the HPG radiation sensor, require more working cabin space and weight lifting ability than is available with the BO-105s. Multiple sensors cannot be accommodated.
- These helicopters are severely limited in fuel capacity such that they are able to achieve only 75 minutes of flight with a mission load before refueling.
- The BO-105 is a twin engine helicopter, but it cannot maintain level flight on a single engine in the event of one engine failure.

- American Eurocopter, the importer that supports the BO-105, experiences serious parts shortages and interminable delays in providing repair parts that are out of production or not in stock.
- These helicopters are now 23 years old and are depreciating at a faster rate than other aircraft in the fleet.

These limits render the BO-105 operationally handicapped and very costly to use. They cannot be used for multisensor missions because of their cabin size and weight lifting capability. Disposing of the two operational BO-105 helicopters will reduce the annual operating costs by \$1,067,324. Two of the fleet BO-105s are not needed to fulfill the mission and are presently in storage. At present market value, DOE could expect to receive \$2,000,000 in exchange sale proceeds by selling the four aircraft.

Beechcraft King Air B-200s



The following section on the B-200s was written prior to the release of RSL's 5-Year Plan. The discussion and recommendations below are superceded by those in the NV Preface. Like the BO-105 helicopters, the B-200s are aging aircraft, more than 15 years old, and have also been extensively modified to carry sensor packages. The B-200s were originally acquired to support the Nevada Test Site (NTS) requirements with a secondary mission of emergency response.

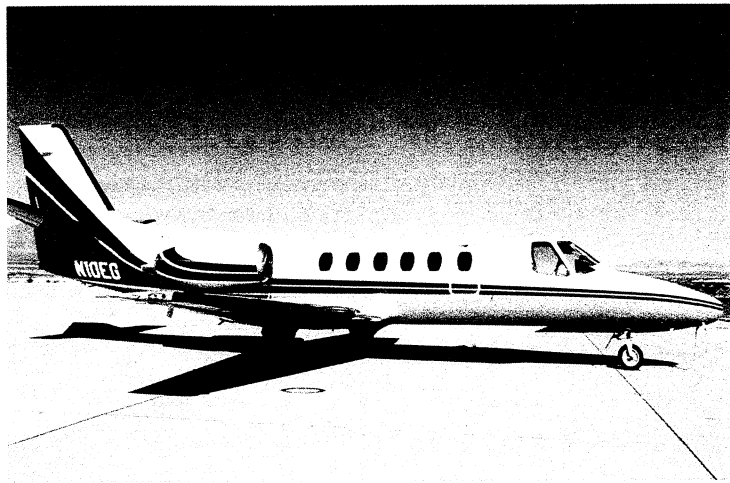
The proximity of the NTS to Nellis Air Force Base (AFB) allowed the short fuel range of the B-200s to work effectively. Sensor packages then required less cabin space and weight lifting ability. Evolution of the emergency response missions, demise of the NTS missions, increased sensor size and weight, and need to deploy anywhere in CONUS, has handicapped the B-200. Due to their design configuration and cabin arrangement, the B-200s are limited in cabin working space when carrying multiple sensors. The current modifications have become obsolete and interfere with the placement of upgraded sensors in the cabin. To return the aircraft to their original configuration and reduce the cabin space problems would cost an estimated \$2,000,000 per aircraft, more than the aircraft is currently worth. It would be counterproductive to spend additional funds modifying the B-200s since they have less than 2 hours of operational flight time with a mission load. One of the airplanes is due for an engine overhaul, and the other airplane will require one within 2 years; this will cost a minimum of \$688,000. This is an unbudgeted additional expense. Sale of these two airplanes will eliminate the overhaul expense, reduce operating expenses by \$1,330,160 per year, and will realize \$3,200,000 in exchange sale proceeds from the sale of the two airplanes, spare parts, and tools. The Beechcraft B-200s should be a second priority for replacement.

Cessna Citation II

The third candidate for replacement is the Cessna Citation II (CE-550), which has a declining mission. Of its 150 flight hours last year (1999), 105 hours were for agencies outside of DOE. Most of the balance was consumed in training and standardization for the contractor flight crews.

Reimbursement from the outside agencies totaled only \$116,300; the total operating cost of the Citation was \$718,755. DOE can no longer justify this aircraft for core missions. The outside work is not paying for itself;

DOE is subsidizing the work-for-others. Disposal of this aircraft will reduce operating costs by \$718,755 per year, and if sold, realize \$3,200,000 in exchange sale proceeds for the Citation. The Citation's mission, high altitude photography as well as multispectral sensing, can be assumed by the B-200s.



Savings from Aircraft Sales

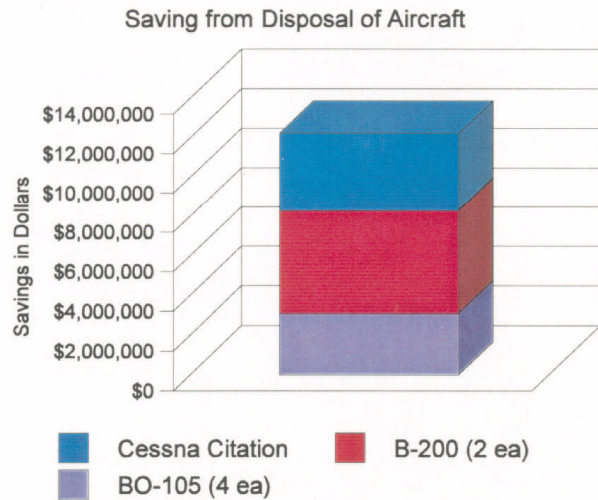
The following section on aircraft sales was written prior to the release of RSL's 5-Year Plan. The discussion and recommendations below are superseded by those in the NV Preface. CAPS II now recommends retaining two B-200s. Modernizing the NV fleet to adequately meet current and future mission needs will require the sale of some aircraft and purchase of new assets. The authority to dispose of aircraft is contained in the Federal Property Management Regulations and is tightly controlled by the GSA. Normally, GSA Region 9 disposes of any aircraft for Federal agencies. The proceeds of these dispositions, if any, are returned to the U.S. Treasury General Fund. In certain circumstances, an agency may receive a waiver from GSA to dispose of an aircraft on the open market and apply the proceeds toward a replacement aircraft. This is called an exchange sale waiver. The conditions of such a waiver are strict and time sensitive. Failure of the agency to use the funds toward a replacement aircraft or to act in a timely manner means forfeiture of the funds into the General Fund of the U.S. Treasury. More rare is the waiver to dispose of multiple aircraft and replace them with a different number of aircraft. This authority is granted only when compelling logical evidence is presented to GSA for approval.

The financial savings that would result from the sale of these aircraft are summarized in Table N-1.

Table N-1 Financial Effects of Aircraft Sales

| Type of Aircraft | 1 Year Operational Cost Avoided* | Sale Value | Other Cost Avoided | 1 st Year Value of Disposal |
|------------------|----------------------------------|--------------------|--------------------|--|
| BO-105 (4 ea.) | \$1,067,324 | \$2,000,000 | | \$3,067,324 |
| B-200 (2 ea.) | \$1,330,160 | \$3,200,000 | \$ 688,000** | \$5,218,160 |
| Citation | \$ 718,755 | \$3,200,000 | | \$3,918,755 |
| TOTAL | \$3,116,239 | \$8,400,000 | \$ 688,000 | \$12,204,239 |

*Based on current contract costs. ** Engine overhaul.



Since the BO-105 helicopters are operationally limited in their capability, the Beechcraft B-200s are handicapped in their ability to carry multiple sensors, and the Cessna Citation II has a declining mission, the present fleet mix of aircraft cannot effectively and economically meet its mission requirements.

If the present fleet mix of aircraft cannot meet its mission requirements, what is the optimum fleet mix and what specific aircraft should be used?

At the time this study was completed, the unwritten direction and policy was that DOE needed two operational helicopters at all times for the emergency response mission. One aircraft must be on standby at all times with another aircraft as backup. DOE must also have two fixed wing airplanes available for the emergency response mission, also one on standby and another as backup. The aircraft can be located on either the east or west coast. The CAPS II study believes that the long-term needs of NV can best be met by a fleet mix of three helicopters and two airplanes.

Airplanes - Future Fleet

To upgrade the fixed wing fleet, several candidate airplanes were reviewed. Some candidate aircraft were rejected as too large or too costly. Others were not considered because they lack FAA certification in Part 135 service. Three choices of airplanes were considered as final candidates to replace the two B-200s that are currently in service. The choices were based on mission requirements for cabin size, payload, range, altitude, and speed. Data from the Aircraft Cost Evaluator was used to make these comparisons. The choices were the following:

- the Beechcraft 1900D,
- the Cessna Grand Caravan, and
- the Pilatus PC-12.²⁴

Beechcraft 1900D

The 1900D is a large twin engine turboprop that has 522 cubic feet of cabin volume available; the current B-200 has only 303 cubic feet. The cabin width of both is identical at 4.5 feet. Both cabins have a drop center floor configuration that complicates the mounting of cameras and other



sensors. The underfloor area is largely filled with air-conditioning packs, high-pressure bleed air ducts, electrical busses, flight control cables, and bell cranks.

Modification of the 1900D floor to accommodate one camera port and one multispectral sensor port will likely require re-engineering and repositioning of major flight control and environmental systems. These modifications are expected to

be more costly than modifications to a Cessna Caravan or Pilatus PC-12. The working room in the cabin is sufficient to mount a multispectral sensor and optical camera system.

Cessna Grand Caravan

The Cessna Grand Caravan is one of two single engine turboprop airplanes considered for this mission. The Federal Aviation Administration has recently granted authority to use some single

²⁴

Representative costs of ownership and operation as well as characteristics of these aircraft are available at the NVappendix.

engine turboprop airplanes in passenger air taxi service under 14 CFR 135. This authority was granted based on the excellent safety record for this class of airplanes and the reliability of the turboprop engine. It is no longer statistically possible to denigrate the single engine turboprop in favor of a twin engine turboprop as they have an indistinguishable statistical safety record.

The Caravan has a useful cabin volume of 340 cubic feet and a cabin floor width of 5.3 feet. The flat floor and wider cabin offer more choices for sensor placement than the Beechcraft 1900D.

Since the Caravan is unpressurized, its useful working altitude is 10,000 feet MSL. The needed altitude for sensor development and deployment is 25,000 feet MSL. In addition, the Caravan has a nominal cruise speed of 140 knots. In the best of conditions, it would require at least 2 days to deploy across the country. These limitations remove it from further consideration.

Pilatus PC-12



The PC-12 is a single engine turboprop with a 1600 horsepower engine flat rated to 1200 horsepower. The airplane has a cabin volume slightly smaller than the Caravan, but 27 cubic feet larger than the B-200. This will allow space for the installation of both photographic and multispectral sensors. In a radiation mission profile, the aircraft is capable of carrying either the sodium-iodide or HP germanium sensors.

Other features include a 5-foot wide cabin, flat cargo floor, and an integral cargo door for ease of loading and mounting sensors. The airplane has surprising performance that surpasses the B-200 in many respects.²⁵ It has a cruise speed of 260 knots and can deploy coast-to-coast with one fuel stop. Its stall speed is 64 knots, making it ideal for lower level sensor work. The airplane offers single engine economy and the best life cycle costs of all candidate airplanes. However, one issue must still be resolved regarding the PC-12. The centerline engine, exhaust flow, and oil cooler outflow may be incompatible with multispectral sensing. Studies and computer modeling performed by NV and the University of Nevada at Las Vegas (UNLV) were inconclusive. Prior to acquiring a PC-12, flight testing is necessary to determine if the PC-12 causes sensor degradation and the extent of that degradation. Possible solutions, such as air dams, should be explored.

²⁵

For example, with full fuel, the B-200 has a useful load of 185 lbs. With full fuel, the PC-12 has a useful load exceeding 1,300 lbs. Fuel range of both aircraft is similar. See NV Appendix.

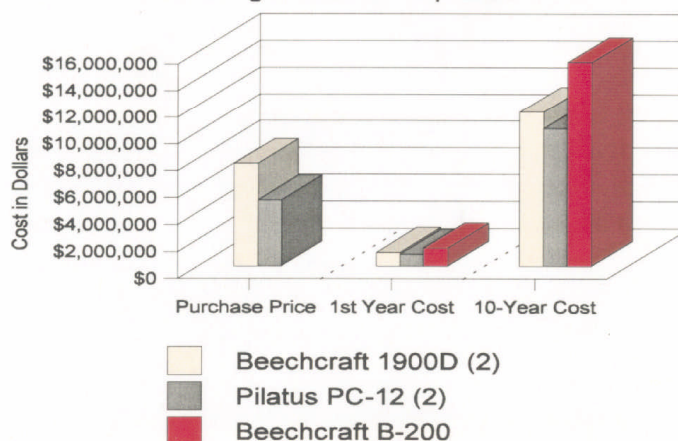
Cost Comparisons

Table N-2 shows the costs of the Beechcraft 1900D and the Pilatus PC-12 as potential replacements for the Beechcraft B-200s. The numbers shown are for two airplanes of either type.

Table N-2 DOE Budget Costs

| Model | Purchase Price | 1st Year Cost ²⁶ | 10-Year Operations Cost |
|----------------------|----------------|-----------------------------|-------------------------|
| Beechcraft 1900D (2) | \$7,600,000 | \$1,023,450 | \$11,466,130 |
| Pilatus PC-12 (2) | \$4,870,000 | \$72,124 | \$10,231,154 |
| Beechcraft B-200 | NA | \$1,330,160 | \$15,200,295 |

DOE Budget Cost for Airplanes



Either the Beechcraft 1900D or the Pilatus PC-12 would be less costly to operate than the current Beechcraft B-200 over a 10-year period. Table N-3 and the following chart compare the life cycle costs of the Beechcraft 1900D and the Pilatus PC-12 over the 10-year period.

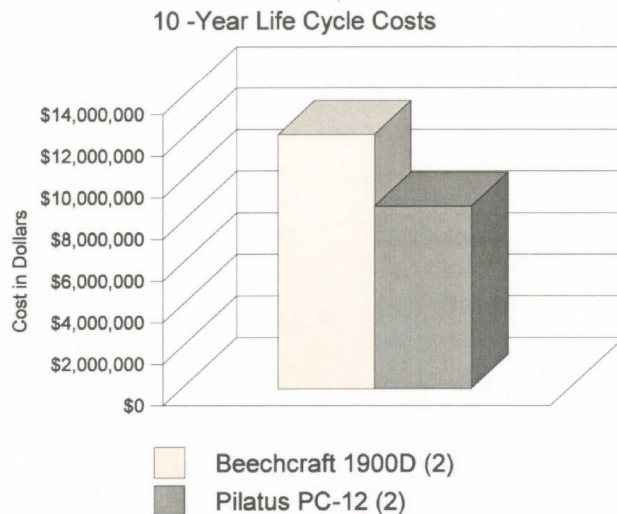
Table N-3 10-Year Life Cycle Costs

| Model | Purchase Price | 10-Year Operations Costs | Residual Value ²⁷ | 10-Year Life Cycle Cost ²⁸ |
|----------------------|----------------|--------------------------|------------------------------|---------------------------------------|
| Beechcraft 1900D (2) | \$7,600,000 | \$11,466,130 | \$6,840,000 | \$12,206,130 |
| Pilatus PC-12 (2) | \$4,870,000 | \$10,231,154 | \$6,331,000 | \$8,770,154 |

²⁶ 1st Year Cost and 10-Year Cost represent out-of-pocket budget costs for contractor operations based on LCC analysis. See NV Appendix.

²⁷ Residual value is calculated from the historic values of each model aircraft

²⁸ The 10-year life cycle cost represents the true cost to the U.S. taxpayer.



The Beechcraft 1900D has a 10-year operations expense of \$2.7 million more than the Pilatus PC-12 and a 10-year life cycle cost of \$4.9 million more than the PC-12. Since either airplane can accomplish the required mission, the PC-12 is the best choice as the airplane for the future.

NV program managers would like a third fixed wing aircraft to assure availability. If the DOE Program Office changes the present mission requirements from one aircraft on standby and another as backup to mandate two airplanes on call at all times, a third airplane would be needed to cover the time when one of the primary airplanes was not available. The third airplane would also be available to undertake routine aerial radiological surveys without interfering with the emergency response standby posture of the two primary airplanes if the DOE Program Office includes radiological surveying in its mission. A decision to purchase a third PC-12 should be deferred until the other options are examined in detail. If a third PC-12 is added to the fleet, the cost of operation will be approximately \$2,400,000 for the 10-year life cycle since no additional crew or mechanics should be needed to operate and support the aircraft. The use of military or ISSA services would avoid the capital investment of a third airplane and are attractive as supplemental services to the DOE fleet.

Helicopters - Future Fleet

The following section on aircraft sales was written prior to the release of RSL's 5-Year Plan.

The discussion and recommendations below are superseded by those in the NV Preface.

Disposal of the aging BO-105s that are operationally limited in their capabilities and replacement with one additional Bell-412 would assure that NV had the needed coverage for its emergency

management mission. The Bell-412 helicopters have adequate power for all mission profiles, are able to carry multiple sensors, and have proven reliable. To upgrade the helicopter fleet, the Aircraft Cost Evaluator and Life Cycle Cost analysis also indicates that the helicopter of choice is the Bell-412. The retail market price of a Bell-412 similar in age to the aircraft now owned is \$2,650,000. DOE already owns a stock of routine spare parts and the special tools for these aircraft. Adding a similar aircraft to the fleet will not require additional parts or tools, allowing DOE to forego approximately \$225,000 in acquisition expense for spare parts, \$125,000 in crew and mechanic type training, and \$20,000 annually in crew recurrency training. Safety will be enhanced by commonality of aircraft for the missions.

By adding one Bell-412 to the fleet, NV will have two mission-ready helicopters available continuously. NV can base two of these aircraft at Nellis or Andrews as needed to meet priority needs. The out of pocket expense over the 10-year period is minimized with this choice. In addition, the life cycle cost, which represents the real cost to the taxpayer, is also minimized.

Tables N-4 and N-5 illustrate the costs for the addition of one Bell-412 for the 10-year study period, FY2002– FY2011. These costs are represented in Table N-4 below. The 10-year operations cost includes the expected inflation of money for the 10-year period as accumulated each year. As such, the \$7,107,701 is the total spent over 10 years.

**Table N-4 DOE Budget Cost
Additional Bell-412**

| Model | Purchase Price | 1 st Year Operations Cost | 10-Year Operations Cost |
|------------|----------------|--------------------------------------|-------------------------|
| Bell-412HP | \$2,650,000 | \$538,815 | \$7,107,701 |

The 10-year life cycle cost shows the true cost to the U.S. taxpayers for the aircraft being examined. The residual value of the aircraft is projected based on the actual historical value for this make and model aircraft.²⁹ The residual value is subtracted from the sum of the purchase price (if the aircraft is acquired at the beginning of the 10-year period) and the operational expenses. Since there is a residual value in this case, the true cost of ownership and operation for the 10-year period is less than the cost of operations. No inference should be made nor assumed that the aircraft will be sold at the end of the 10-year period. Rather, the information should be recalculated at the end of the period, using the costs and values at that time, to determine the best decision.

**Table N-5 10-Year Life Cycle Cost
Additional Bell-412**

| Model | Purchase Price | 10-Year Operations | Residual Value | 10-Year Life Cycle Cost |
|------------|----------------|--------------------|----------------|-------------------------|
| Bell-412HP | \$2,650,000 | \$7,107,701 | \$3,112,500 | \$6,645,201 |

²⁹

Aircraft Bluebook Price Digest; and Helicopter Residual Value Guide; both published by Intertec Publishing, *ibid*.

Are the Bechtel-Nevada costs for aviation operations appropriate?

The RSL activities are part of the overall scope of work for the NV M&O contract held by Bechtel-Nevada. NV is not in compliance with the FAIRS cost accumulation and reporting standards. How NV is presently reporting cost distorts the true cost of aircraft ownership and operation. For example, overhead expenses are being reported as costs against the aircraft. Since overhead expenses would continue to exist regardless of whether an agency has fleet aircraft, they should not be reported as aircraft costs. Although these expenses may be legitimate and justified, they are not aircraft operating expenses. Other costs, such as modifying the aircraft to carry a new sensor, are programmatic expenses. These costs should be tracked but not reported as aircraft costs. The present practice of pooling and spreading overhead costs and charging programmatic expenses to aircraft leaves no accountability of the actual cost associated with any particular activity. Overhead rates for aviation should be determined by the actual costs of overhead activities based on ownership and operation of the aircraft.

The following two tables and the chart illustrate the difference in current costs for NV aircraft versus should costs³⁰ of the same aircraft.

The *Present Fleet - Current Cost (Normalized)* (Table N-6) represents the projected costs of retaining the present fleet mix and extending the current contracting practices for the 10-year life cycle period. The Present Fleet - Current Costs (Normalized) are the current costs of operations and maintenance as reported by the contractor. These costs are adjusted to add or subtract costs that were inconsistently reported. They continue to include those programmatic costs that are unrelated directly to aircraft operations or maintenance.

The *Present Fleet - Should Cost* (Table N-7) represents the projected costs of retaining the present fleet mix, current level of effort, and applying the FAIRS standards to cost reporting.

³⁰

Should cost for the aircraft have been adjusted for the emergency response standby requirements, cost of insurance, cost of financing, contractor fees, and miscellaneous costs.

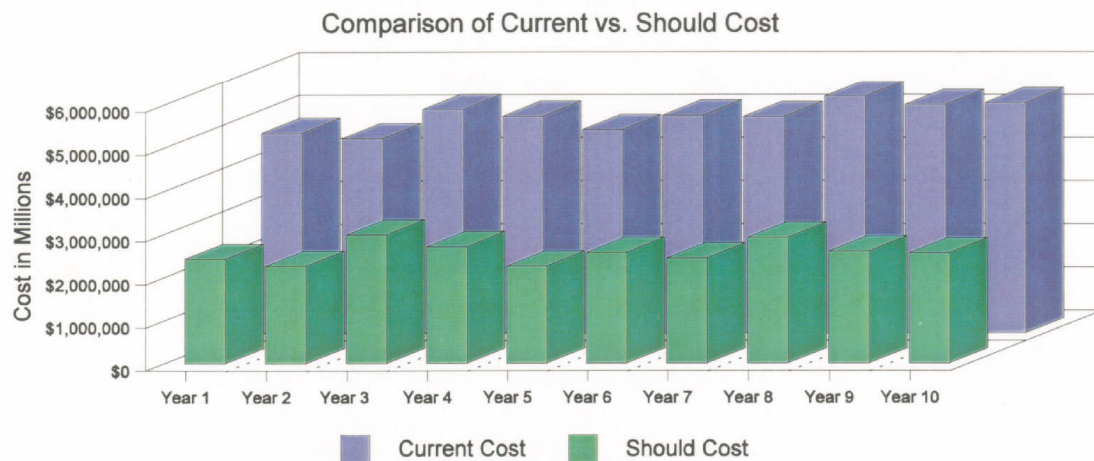
Table N-6

| PRESENT FLEET - CURRENT COST (NORMALIZED) | | | | | | | | | | | | |
|---|--------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Aircraft | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
| N10EG | | \$718,755 | \$739,667 | \$794,720 | \$830,957 | \$796,540 | \$839,421 | \$836,865 | \$857,787 | \$924,069 | \$901,212 | \$8,239,993 |
| N185XP | | \$928,324 | \$951,623 | \$946,404 | \$1,337,672 | \$997,319 | \$1,044,723 | \$1,081,928 | \$1,078,856 | \$1,107,485 | \$1,136,871 | \$10,611,205 |
| N40EG | | \$69,099 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$69,099 |
| N411DE | | \$1,067,689 | \$972,569 | \$1,661,929 | \$1,021,805 | \$1,047,350 | \$1,073,534 | \$1,100,373 | \$1,529,129 | \$1,156,079 | \$1,184,981 | \$11,815,438 |
| N412DE | | \$380,343 | \$263,614 | \$270,204 | \$276,959 | \$283,883 | \$290,980 | \$298,255 | \$305,711 | \$313,354 | \$321,188 | \$3,004,491 |
| N50EG | | \$1,566 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,566 |
| N60EG | | \$428,156 | \$405,226 | \$415,356 | \$432,826 | \$436,384 | \$463,721 | \$458,476 | \$469,938 | \$521,949 | \$493,728 | \$4,525,760 |
| N6451D | | \$401,836 | \$439,389 | \$423,057 | \$433,634 | \$444,475 | \$476,517 | \$494,229 | \$482,454 | \$490,617 | \$502,882 | \$4,589,090 |
| N70EG | | \$639,168 | \$740,133 | \$668,873 | \$685,595 | \$702,735 | \$852,793 | \$738,311 | \$756,769 | \$775,688 | \$795,080 | \$7,355,145 |
| | | | | | | | | | | | | |
| | TOTALS | \$4,634,937 | \$4,512,223 | \$5,180,546 | \$5,019,452 | \$4,708,691 | \$5,041,695 | \$5,008,444 | \$5,480,652 | \$5,289,250 | \$5,335,952 | \$50,211,787 |
| | | | | | | | | | | | | |

Table N-7

| PRESENT FLEET, SHOULD COST | | | | | | | | | | | | |
|----------------------------|--------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Aircraft | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
| N10EG | | \$394,953 | \$408,359 | \$462,442 | \$493,645 | \$439,758 | \$478,313 | \$462,021 | \$473,571 | \$539,215 | \$497,546 | \$4,649,823 |
| N185XP | | \$432,344 | \$443,324 | \$419,595 | \$871,214 | \$444,441 | \$482,517 | \$507,885 | \$484,437 | \$498,538 | \$513,040 | \$5,097,335 |
| N40EG | | \$22,123 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$22,123 |
| N411DE | | \$599,642 | \$468,459 | \$1,278,225 | \$492,175 | \$504,479 | \$517,091 | \$530,018 | \$1,024,765 | \$556,850 | \$570,772 | \$6,542,476 |
| N412DE | | \$377,754 | \$235,712 | \$241,605 | \$247,645 | \$253,836 | \$260,182 | \$266,687 | \$273,354 | \$280,188 | \$287,193 | \$2,724,156 |
| N50EG | | \$1,566 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,566 |
| N60EG | | \$187,314 | \$151,636 | \$155,427 | \$167,816 | \$163,295 | \$187,091 | \$171,562 | \$175,851 | \$228,563 | \$184,754 | \$1,773,309 |
| N6451D | | \$185,439 | \$223,083 | \$195,880 | \$200,777 | \$205,797 | \$236,059 | \$248,918 | \$226,185 | \$227,161 | \$232,840 | \$2,182,139 |
| N70EG | | \$218,285 | \$325,725 | \$226,152 | \$231,806 | \$237,601 | \$402,529 | \$249,630 | \$255,870 | \$262,267 | \$268,824 | \$2,678,689 |
| | | | | | | | | | | | | |
| | TOTALS | \$2,419,421 | \$2,256,300 | \$2,979,329 | \$2,705,082 | \$2,249,212 | \$2,563,788 | \$2,436,728 | \$2,914,041 | \$2,592,791 | \$2,554,979 | \$25,671,616 |
| | | | | | | | | | | | | |

This recap includes the same operations costs (variable and fixed) as the "Present Fleet, Current Costs (Normalized)" recap, with the actual "overhead" factor of variable and fixed for Operations Overhead and another 10% for Administrative Overhead (G&A).



As the tables and chart illustrate, there is a large difference in how the current cost for NV aircraft is reported versus what the cost should be.

CAPS II also investigated the differences in average corporate costs to DOE costs for ownership and operations of the same types of aircraft as compared by the Aircraft Cost Evaluator and Life Cycle Cost 2000 software. To help our understanding of the contractor records and methods of cost accounting, the team requested and received a comprehensive briefing by the Bechtel Financial Office on the cost and pricing structure in use under the current M&O contract.³¹

This knowledge was used in a detailed audit of the aviation records. As examples, the average corporate cost³² of owning and operating a Beechcraft B-200 and Cessna Citation II, flown at the same utilization rate as experienced in NV, is shown in Table N-8 and Table N-9.

Table N-8 Beechcraft B-200 Costs (2 airplanes)

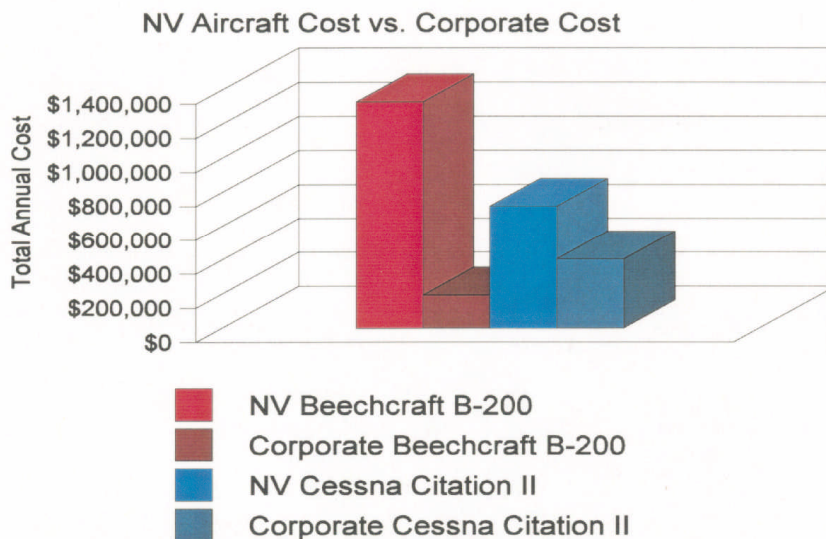
| Type of Operation | Annual Direct Cost | Annual Fixed Cost | Overhead | Total Annual Cost |
|-------------------|--------------------|-------------------|------------------------|-------------------|
| NV | \$165,868 | \$349,001 | \$815,291 | \$1,330,160 |
| Corporate | \$178,797 | \$209,137 | Included in fixed cost | \$387,934 |

³¹ See NV appendix, Bechtel-Nevada Cost Model.

³² Corporate costs from the Life Cycle Cost 2000 and Aircraft Cost Evaluator; both published by Conklin & de Decker Associates, Inc., Orleans, MA, 2000. See NV appendix for details.

Table N-9 Cessna Citation II Costs

| Type of Operation | Annual Direct Cost | Annual Fixed Cost | Overhead | Total Annual Cost |
|-------------------|--------------------|-------------------|------------------------|-------------------|
| NV | \$145,320 | \$183,808 | \$389,627 | \$718,755 |
| Corporate | \$146,595 | \$259,840 | Included in fixed cost | \$406,435 |



Some operational differences are expected. For example, the corporate model in the software uses \$2.06 per gallon for fuel costs, an average price for jet fuel at airport locations at the time of this study. Bechtel-Nevada buys bulk fuel from the military contract at Nellis AFB and pays \$1.37 per gallon. The Bechtel-Nevada operation at WAMO similarly acquires its fuel from the Air Force at Andrews AFB. Despite the recent escalation in fuel prices, the proportion of difference in cost remain. In addition, the corporate models include industry averages for hull and liability insurance, which is not required by DOE. Bechtel is only required, by contract, to carry commercial insurance policies for third-party liability of the aircraft operation. The premiums for these policies are included in our calculations and are less than the insurance costs paid by corporate operators. The corporate costs represent the direct and fixed costs of aircraft ownership and operation including facilities, overhead, and supplies. The corporate costs do not consider a profit for the owner. Regardless, the marginal differences of these direct and indirect costs compare favorably. But, the overhead costs, as reported by NV, add a significant difference to the total annual cost of operating the aircraft. At NV, for every \$1.00 of aviation service labor received, DOE is paying \$2.84.

The Bechtel cost construction model is presented in the NV Appendix. This model helps to explain the multipliers and cost spreading techniques that drive the NV costs to questionable levels for the aviation activity.

NV's present practice of pooling and spreading overhead costs and charging programmatic expenses to aircraft distorts the actual cost associated with the aircraft. Overhead rates for aviation should include only the actual costs of overhead activities based on ownership and operation of the aircraft. By changing the way NV reports aircraft costs, the true cost of aircraft ownership and operation would be reflected. Revised reporting under the FAIRS cost accumulation and reporting standards may demonstrate some cost reduction. However, the current contract with the NV M&O Contractor, a joint venture headed by Bechtel, Inc., does not require reporting under the FAIRS standard. Requiring the use the FAIRS standard would require contract renegotiation.

If the current costs for aviation operations are inappropriate, what options does management have to reduce the costs?

If revised reporting under the FAIRS standards does not demonstrate some cost reduction, management has four additional performance options:

1. Conversion to a federal workforce;
2. Conversion to an ISSA with the military;
3. Conversion to ISSA with another federal agency; and
4. No action.

Conversion to Government performance, whether civil service or military, requires a formal make-or-buy analysis following the dictates of OMB Circular A-76. CAPS II contains such an A-76 analysis; only publication of a public announcement and a public comment period would be required to implement one of the conversion options.

The first option is to convert the aviation function at NV to a Federal workforce. This conversion assumes that the Government will not pay any penalties to the contractor for termination but will convert on an appropriate contract extension or renewal anniversary date in the future. There are possible intangible conversion costs associated with this action including potential interruption of work. Regardless, the costs are presented below in Table N-10 to illustrate that such conversion is economically viable and a sure method to contain costs.

A second option, raised by the NV Emergency Response Aviation Program Review³³ during the course of the study, proposed the viability of conversion to an ISSA with the military, whereby it might provide some or all of the aviation services needed by NV. CAPS II examined the cost of the military conversion option and the results are presented in Table N-11.

A third option is conversion to an ISSA with another Federal agency with civil service employees. Any conversion must first assure continuity of operations and needs careful planning and a phased implementation.

These three options are based on the modernization of the fleet with more effective and efficient aircraft. The detailed discussions and the analysis presentations in the NV appendix to this report are based on a final fleet mix of three Bell-412 helicopters and two fixed wing airplanes in lieu of the present fleet of nine aircraft. The addition of the third Bell-412 helicopter is deferred until dictated by mission requirements. It assumes the helicopter's eventual addition and presents costs accordingly.

"No action" is also an option. This option would assume that flight modernization does not take place, and the current fleet of aircraft is retained.

Conversion to Federal Workforce Option

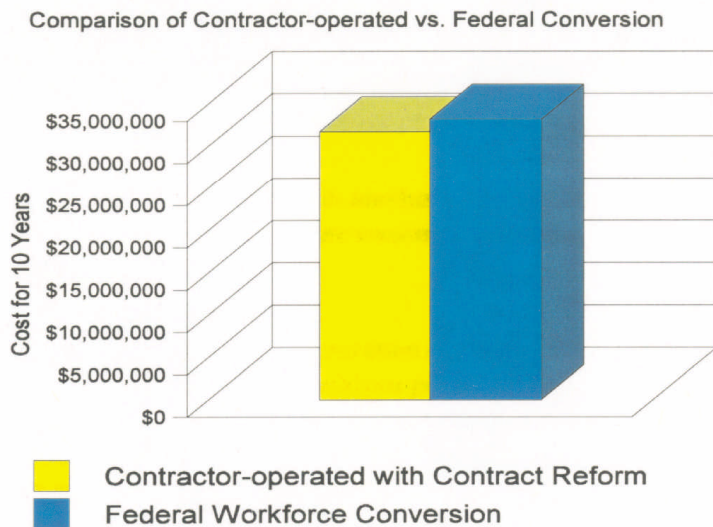
CAPS II examined the cost and feasibility of converting the contracted aircraft operations and maintenance to performance by civil service employees. For this analysis, the team extrapolated the overall costs of operations and maintenance of the future fleet and contrasted this with contractor-operated with contract reform. Assuming that the contract reforms previously discussed are in place, a straight analysis of the current contract costs to Government performance shows that the conversion to Government employees would, in this case, add \$1,456,177 to the 10-year budgeted expense. The higher cost of Federal performance results from the employment of General Schedule employees at grades commensurate with the Federal Personnel Manual guidance and X-118 standards.

Table N-10 Cost Summary Comparison

| OPTIONS | Contractor-operated with Contract Reforms | Federal Workforce Conversion |
|----------------|---|------------------------------|
| 10-Year Budget | \$31,671,029 | \$33,127,206 |

³³

Final Report, dated 4/17/2000, of the Nevada Operations Office, Emergency Response Aviation Program Review, Department of Energy, March 20-30, 2000, Pg 17-18.



Conversion to an ISSA with the Military Option

Internal discussion within the DOE Program Office (SO-40) and the NV Aviation Program Study³⁴ suggested that the military services, most probably the National Guard, might be able to supply aviation support, or a portion thereof, to the RSL and the emergency response missions. CAPS II conducted a detailed study of potential military aircraft to support NV's mission and the costs of operating the military aircraft. CAPS II also reviewed some of the operational and management parameters involved in converting a contracted activity to a Government military activity. Military aircraft potentially available to serve these missions include the C-12, C-23, C-26 and UH-60. CAPS II gathered the costs of interagency cooperative service from the Office of the Joint Chiefs of Staff, Special Air Mission (SAM) Programs Office, Department of Defense. The team discussed the potential for the use of active duty and National Guard aircraft in the roles of emergency response, sensor development, and training. The SAM office referred us to the Army National Guard and Air National Guard C-26 aircraft program managers for all C-26 discussions.

The C-12 is the military equivalent of the Beechcraft B-200, presently owned by DOE and in service to NV. The C-12 aircraft cannot carry the required weight of the necessary sensors with sufficient fuel to deploy beyond 600 miles. This is the same inadequacy currently encountered with the B-200s presently assigned to NV. Transferring the problems of the current airplanes to similar military airplanes is counterproductive, and the C-12 was not considered further for these missions.

³⁴ The Nevada Aviation Program Study was commissioned separately by the Office of Emergency Operations.

The C-23 is the military version of the Shorts 330. The C-23 has a cruise speed of 145 knots which, combined with its limited fuel range, would require 2 days to deploy cross country. The airplane is unpressurized, which limits its effective working altitude to 10,000 feet. The required working altitude for the photographic missions is 25,000 feet. These limitations remove the C-23 from further consideration.

The C-26 is the military version of the Fairchild Metro III commuter airliner. The Army National Guard airplanes do not have camera ports, but the Air National Guard does have some C-26 airplanes equipped with camera ports. The C-26s have been modified with camera ports that are accessible from within the cabin during flight. The cabin configuration is narrow but long, offering cramped working space but adequate sensor and camera mounting. This aircraft appears to be a workable candidate for the photographic and multispectral sensor missions if an effective and economical agreement can be worked out with the Air National Guard. The expected cost of using C-26 aircraft for the mission that has been performed by the NV Cessna Citation is \$330,000 per year. This sum includes only the aircraft reimbursable charges for 110 flight hours per year. This option is viable if the National Guard can assume and support the emergency response requirements of the photo and multispectral sensor missions.

The UH-60 Blackhawk (and its variants) is the standard military, utility helicopter available today. This helicopter exceeds all of the capacity and performance requirements needed to perform the sensor development missions and the emergency response missions with radiological sensors. It is able to carry two externally mounted sensor pods and also carry a team of NEST personnel for deployment at a target site. The five-bladed main rotor system offers self-damping characteristics similar to the Bell-412 presently in use by NV. These inherent damping characteristics are critical to the calibration and proper functioning of the sensor systems. Helicopters with two-bladed main rotors induce a 2:1 (sometimes called 2/rev) lateral vibration in some modes of flight, which translates into an induced error in the sensor geometry and, consequently, a failure of the systems to gather acceptable data. This precludes consideration of the military UH-1 series of helicopters and variants. Smaller military helicopters such as the OH-58 series do not have sufficient capacity or fuel range to perform NV's missions. Larger military helicopters such as the CH-53 series and CH-47 series are entirely too large and too costly to be considered.

To accommodate the current sensors, military aircraft used to perform the AMS missions would need airframe and electrical modifications. The necessary modifications and their costs vary with the extent of modification needed. Wiring and mounting modifications are estimated to cost less than \$100,000 per aircraft. The CAPS II team and the Air National Guard aircraft program manager discussed the possibility of the Air National Guard performing these missions for DOE. Air National Guard has some interest in performing them. However, no particular aircraft would be identified to perform the missions. All candidate aircraft would have to receive the necessary modifications. At the present time, the military will not allow the necessary modifications to its aircraft. The Air National Guard would be willing to perform DOE missions only if it did not interfere with its own missions. These challenges might be resolved with high level negotiations

and agreements. DOE can produce additional sensor suites at an estimated cost of \$6,000,000³⁵ per shipset, to allow them to be used on military aircraft. The aircraft may need to be based at the RSL facilities at Nellis AFB and Andrews AFB because of time limits from mission notification to aircraft deployment. To assume a primary emergency response mission, the military crews would need to be available to train with the RSL scientists and be on the same response schedule as the present contract personnel, including ground crew and maintenance. Arrangements would also have to be made to notify the military aircrews as well as the RSL mission scientists for a launch. The response requirements could present inherent policy, management, and cost obstacles since the National Guard consists of a small group of full time technicians and a majority work force of part-time personnel. The part-time personnel frequently serve as convenience and their civil employment allows. Attempting to manage and schedule a part-time work force for a 24-hour-per-day mission might not be feasible.

A more suitable mission for the military in support of RSL might be in providing supplemental aircraft and crews in a backup role, as needed, during times when the DOE aircraft are deployed on other missions. Another suitable mission might be to provide aircraft for an Outside-the-Continental-U.S. (OCONUS) mission since DOE NV aircraft do not have an OCONUS capability. Should future mission needs dictate an OCONUS operation, the military could be tasked with that mission. Providing supplemental or OCONUS support would allow more time for deployment, relieving the military of the alert requirements. However, the costs and management issues of modifying aircraft and training with RSL scientists would remain to be resolved.

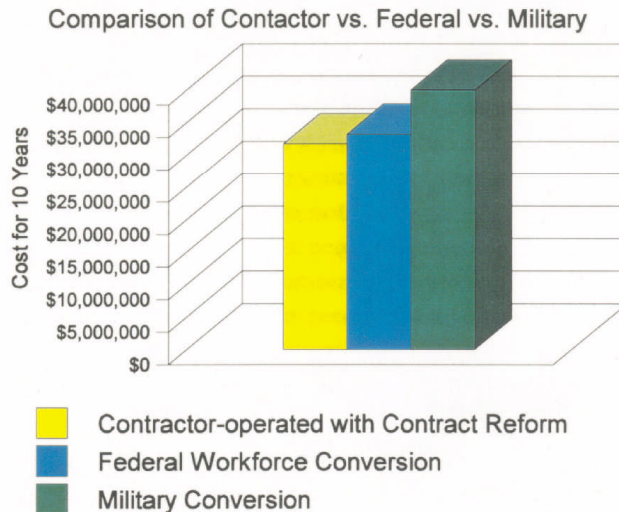
If it became possible for a National Guard unit with the appropriate mix of aircraft and the personnel to perform the entire RSL aviation support mission, the cost of the military operation would exceed the cost of the contractor operations with contract reform option by \$8,235,647 for the 10-year study period. Federal conversion with a civil service workforce saves \$6,779,470 over the military performance option. This cost does not include the additional cost of producing one or more shipsets of sensors at \$6,000,000 each. The calculation is based on the use of C-26s and UH-60s to support the flying hours described for the future fleet. The cost of military aircraft to *supplement* the DOE fleet aircraft is dependent upon the actual modifications and imposed flight hour requirements to be developed in a future agreement.

Table N-11 Cost Summary Comparison

| OPTIONS | Contractor-operated with Contract Reforms | Federal Workforce Conversion | Military Conversion |
|----------------|--|------------------------------|------------------------|
| 10-Year Budget | \$31,671,029 | \$33,127,206 | \$39,906,676 |

³⁵

NV program office estimate.



Conversion to an ISSA with Another Federal Agency Option

Options have also been discussed with Office of Emergency Operations and NV concerning the use of an ISSA with the U.S. Customs Service or with other Federal agencies to support the RSL aircraft mission needs. An ISSA could be established with the Customs Service to use its P-3 aircraft to fly the supplemental RSL mission or provide OCONUS support. Similar issues to the military option would have to be addressed in the areas of training with RSL scientists, response time, and aircraft modifications to assume the full RSL emergency response mission. It has been estimated by the Customs Service and the RSL that four aircraft would need to be modified at the cost of \$100,000 each to structurally allow them to carry the sensor package. DOE would have to spend an additional \$12,000,000 to develop two sensor packages designed for the P-3 aircraft. The Customs Service would also charge DOE \$5,500 per hour, and labor overtime, to fly the aircraft. As with the military option, the P-3 aircraft could be used in a supplemental support role or to provide OCONUS capabilities that do not currently exist at the RSL.

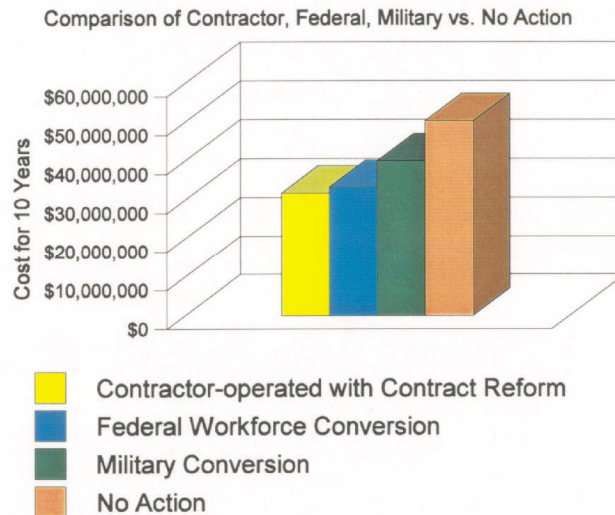
Differences in operations and airworthiness standards would need to be addressed if the other agency involved in an ISSA does not maintain and fly its aircraft to the same standards required of DOE aviation operations. The DOE RSL aircraft are flown and maintained in accordance with FAA requirements. If another Agency, under an ISSA, flew its aircraft in the Public aircraft category that is exempt from FAA requirements (except for National airspace rules), issues such as employee life insurance and DOE accountability would need resolution. Many life insurance policies have standard clauses negating the policy if the policy holder is flying on a noncertified aircraft. DOE management would assume unusual risk and accountability by directing employees to fly on aircraft that are operated and maintained to different standards than DOE's fleet aircraft.

No Action Option

One option is always no action or maintenance of the status quo. This option assumes that the present fleet, minus the two BO-105 helicopters in storage, is retained and operated under the present contracting arrangement. This choice leaves NV seriously handicapped in its ability to meet its mission mandates for emergency response and imposes a significant cost penalty. Extrapolating the life cycle costs for the present fleet results in a 10-year budget cost of \$50,211,787 to DOE. This option has a 10-year budget cost of \$18,540,758 more than the contractor-operated option with contract reforms. However, if contract reform is not enacted as recommended, conversion to a Federal workforce results in a cost savings of \$17,084,581 over the "No Action" option.

Table N-12 Cost Summary Comparison

| OPTIONS | Contractor-operated with Contract Reforms | Federal Workforce Conversion | Military Conversion | No Action |
|----------------|---|------------------------------|---------------------|--------------|
| 10-Year Budget | \$31,671,029 | \$33,127,206 | \$39,906,676 | \$50,211,787 |



Options Summary

The most efficient and effective option for aviation service to NV and the RSL is the contractor-operated with contract reform choice, which includes fleet modernization.³⁶ Proceeds from the sale of seven aircraft in the present fleet should provide all of the funds needed to purchase the

³⁶

See NV appendix for complete cost spreadsheets of contractor-operated vs. Government conversion options, each with PC-12s or Beech 1900s.

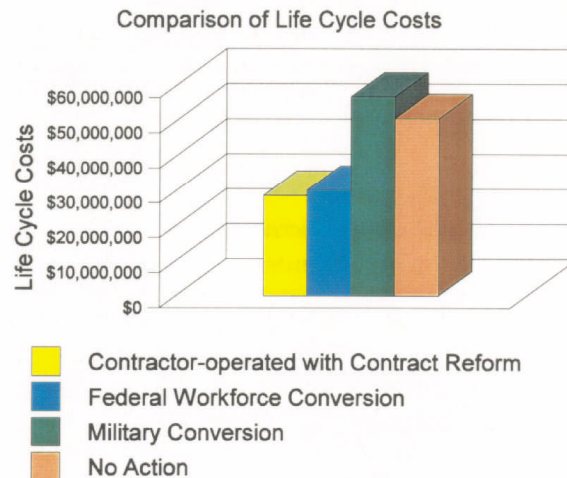
two replacement, fixed wing aircraft. This option saves the taxpayers \$22,049,961 and saves DOE \$18,540,758 over the “No Action” option for the 10-year study period (See Table N-13). The addition of the third Bell-412 helicopter is a program action depending on future mission requirements. The Office of Emergency Operations will coordinate future mission requirements with OAM.

A second option, if contract renegotiation or rebidding fails to yield the necessary savings, is conversion to a Federal workforce for the aviation function. A carefully planned transition should produce uninterrupted service. This option includes fleet modernization. This option saves the taxpayers \$20,593,784 and saves DOE \$17,084,581 over the “No Action” option for the 10-year study period.

A third option is conversion to a military workforce for all, or as a supplement to, the mission flight needs. The legal, policy, and management problems inherent in this choice present significant challenges to the success or feasibility of military aviation support for these missions. Conversion of any part of the NV aviation support function to military service would require negotiations at the highest levels to allow modification of the military aircraft, ensure availability, and ensure an equivalent level of safety to the DOE standards. Funds to build additional sensor shipsets would have to be allocated at a cost of \$6,000,000 per shipset per RSL estimate. If successfully enacted, total conversion to the military option will cost the taxpayers \$28,181,350 more than the contractor-operated with contract reform option. As a supplement to the DOE fleet, a savings of \$2,435,000 in capital cost and \$3,000,000 in operations cost are possible by foregoing the acquisition of a third PC-12.

Table N-13 NV Options Summary
Life Cycle Cost of Options

| OPTIONS | Mission Feasibility | 10-Year | Life Cycle Cost | A-76 Cost |
|--|---------------------|--------------|-----------------|---------------|
| Contractor-operated with Contract Reform | Excellent | \$31,671,029 | \$28,622,326 | \$116,751,323 |
| Federal Workforce Conversion | Excellent | \$33,127,206 | \$30,078,503 | \$108,537,408 |
| Military Conversion | Questionable | \$39,906,676 | \$56,803,676 | XXX |
| No Action | Poor | \$50,211,787 | \$50,672,287 | XXX |



Recommendations, time phasing, and administrative tasks associated with these options are presented in the following Recommendations and Tasks section.

Supplemental Service to the DOE Fleet

The ability to successfully employ the Customs Service P-3 aircraft, as discussed above, depends upon the successful negotiation of availability and priority for the DOE missions, ability to modify the P-3 aircraft to accommodate the sensor suite, and further development in the sensor packages to allow remote control of all systems.

The operational costs of an ISSA can only be addressed when, and if, a P-3 was called for service. Training flights and equipment proving flights costs could be forecast only after an agreement was defined and negotiated. The costs of development and deployment of the two required sensor suites are estimated at \$12,000,000.

Recap of Issues Requiring NV Attention

The CAPS II review of RSL aviation activities discovered two significant issues requiring management attention:

1. An in-depth review of Bechtel-Nevada cost reports **revealed that unexpectedly high overhead rates were being applied to the cost of aviation operations.**
2. The present fleet mix of aircraft **cannot meet mission requirements effectively or economically** due to the aging fleet, evolving mission needs, and multiple sensor configurations.

CAPS II
Recommendations and Tasks
Nevada Operations Office

The following Recommendations are still valid and should be completed as scheduled. The RSL 5-Year Plan does not change these recommendations.

| | |
|--|---------|
| SO-40: | |
| Publish a clear, unequivocal policy statement regarding response times, number of aircraft on call, and actions for emergency response aircraft missions. | FY 2001 |
| Further explore the feasibility and cost of an Interservice Support Agreement with the National Guard or other Federal agency to provide limited, supplemental aviation support for OCONUS and contingency operations. | FY 2001 |

| | |
|--|---------|
| NV: | |
| Adopt FAIRS standards for aircraft cost accumulation and reporting. | FY 2001 |
| Provide cost data in FAIRS report format to OAM for FY 2000, and annually for each succeeding year. | FY 2001 |
| Further research operational advantages and limitations of using military or other agency assets to provide limited aviation support to RSL. Report to the Program Office and OAM. | FY 2001 |

| | |
|---|---------------------|
| OAM: | |
| Provide guidance and support for contract reform. | FY 2001– FY 2002 |
| Review and approve aircraft acquisitions, modifications, safety and training plans, operating specifications, and revision of the NV Implementation Plan. | FY 2001– FY 2002 |

The following Fleet Modernization Recommendations were written prior to the release of RSL's 5-Year Plan. They are superceded by those in the NV Preface. However, in the event that organic aircraft are needed at NV for longer than shown in the 5-Year Plan, these recommendations should be revisited to support the replacement of aircraft in the NV fleet depending on the situation at that time.

| | |
|--|---------------------|
| SO-40: | |
| Provide budget resources to modernize the NV aircraft fleet. | FY 2001– FY 2002 |
| Endorse a decision to dispose of seven fleet aircraft and replace them with three aircraft. | FY 2001 |
| Provide up-front funding to acquire two Pilatus PC-12 airplanes as soon as possible in lieu of the present Beechcraft B-200 airplanes. Recover up-front funding from the sale of present assets. | FY 2001 |
| Budget appropriated funds, if necessary, to supplement the sale proceeds from the present fleet toward replacement aircraft. Recover budgeted funds from reduced operations costs. | FY 2001– FY 2002 |
| Determine the programmatic necessity of a third helicopter to provide support for an increased mission profile. If needed, provide funding to acquire the third helicopter by purchase or lease. | FY 2001 |

| | |
|--|---------------------|
| NV: | |
| Plan transition to new airplanes including personnel training, spare parts lists, modifications, and time phasing. | FY 2001 |
| Plan continuity of operations during transitions. | FY 2001– FY 2002 |
| Direct the M&O contractor to prepare the four BO-105 helicopters to be sold in flyable condition. | Complete |

| | |
|--|---------|
| OAM: | |
| Negotiate an exchange sale waiver with GSA on behalf of DOE for the NV aircraft. | FY 2001 |

| | |
|--|---------------------|
| Direct and coordinate the sale of seven fleet aircraft and replacement with three more capable aircraft. | FY 2001– FY 2002 |
| Determine the most advantageous acquisition method based on cash and funding availability. | FY 2001– FY 2002 |

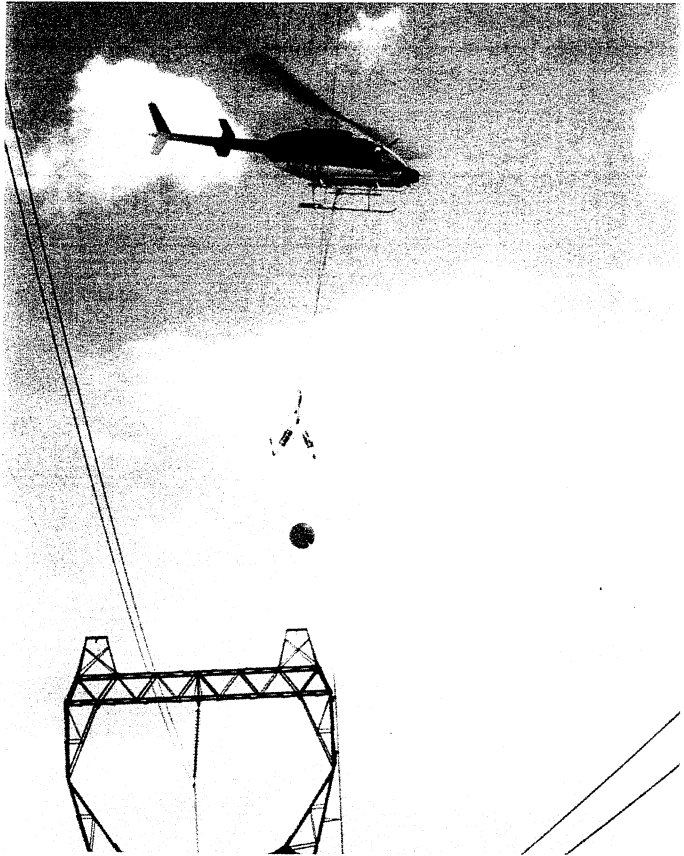
Western Area Power Administration

Western completed a program wide A-76 Study of its Aviation Program in 1998. This study indicated that Western could reduce its fleet from five to three aircraft, reorganize its operating and management methods and achieve substantial economies. The study also showed that continuing the operation of its fleet aircraft with Federal employees was cost advantageous. The study, which took more than a year of effort, was reviewed in detail and approved by the DOE Senior Aviation Management Official.

Subsequently, tenets of the study were challenged by American Eurocopter and subjected to a GAO audit and hearing. The testimony at the hearing was provided by Western on behalf of the Government and supported by OAM. The GAO hearing reaffirmed Western's choice of aircraft, and the Comptroller General supported the Government's position. The Western A-76 Study was approved and is incorporated into this report by reference.

Western has implemented the recommendations of its 1998 study and has reduced its fleet of five helicopters to two Bell 206 L3s and one Bell 407. After several months of operations with the reduced fleet, the Western Aviation Manager reports that the new B-407 is suitable, and the reduced number of aircraft does not adversely affect Western's ability to perform powerline patrol, routine radio and power grid site maintenance, and emergency response to power outages.

Western and OAM will continue to monitor the levels of service and costs of aircraft operations for future enhancement. No further recommendations are made for Western.



Savannah River Site

Savannah River Site operates two Eurocopter BK-117 helicopters for site support, flying a total of more than 800-hours per year. The helicopters fly a security mission at SR to prevent the unauthorized removal of special nuclear material from the site. The helicopter operation has been FAA certified as meeting the requirements of 14 CFR135, and the aircraft are maintained to those standards. The aircraft have been specially modified for their security mission to include a machine gun mount for aerial gunnery support and the installation of Night Sun and Forward Looking Infrared (FLIR) systems. On a noninterference basis with the security mission, these helicopters are used in support of environmental management, the U.S. Forest Service, or Savannah River Ecology Laboratory missions. The security mission is mandated by the classified Site Safeguard and Security Plan; it requires that one helicopter and its flight crew are on alert 24 hours a day, 365 days a year. The helicopters are operated by Wackenhut Services, Inc., the site security contractor. At SR, the security contract is independent from the M&O contract held by Westinghouse.

The CAPS II team visited SR to interview appropriate DOE and Wackenhut personnel in order to gain a further understanding of the security helicopter operation and Wackenhut's cost accounting procedures. The day-to-day operations of the two BK-117 helicopters are well coordinated and integrated into SR's daily operations. By policy and practice, the aircraft are always operated by two pilots. This requirement for two pilots contrasts with the corporate use of this type helicopter which normally necessitates only one pilot in the aircraft. The security requirement, to have a 2-person crew at ready standby in the helicopter operations center 24 hours a day, necessitates employing 10 pilots.

Most of the helicopter maintenance is accomplished in-house by a lead mechanic and one other mechanic. SR maintains a hanger/maintenance facility on site and stocks a limited number of repair parts.

The CAPS II review of SR aviation activities investigated three significant issues:

- 1. Can the present fleet of BK-117 helicopters meet optimum mission endurance requirements with a full load of personnel and equipment?***
- 2. If the present fleet cannot meet optimum mission endurance requirements with a full load of personnel and equipment, what other aircraft are available to meet the requirements? Is the cost justified?***
- 3. Are the Wackenhut Services, Inc. costs appropriate?***

Can the present fleet of BK-117 helicopters meet optimum mission endurance requirements with a full load of personnel and equipment?

During the CAPS I team's SR site visit, Wackenhut aviation personnel indicated that the current BK-117 helicopters could not meet optimum mission endurance requirements with a full load of



personnel and equipment per the Site Safeguard and Security Plan. CAPS I suggested that replacement helicopters should be explored as part of the follow-on cost analysis.³⁷

CAPS II verified that the BK-117 could only carry a limited fuel load when transporting a fully equipped emergency response team.

However, further discussions

revealed the BK-117 does have sufficient fuel to meet all contingencies in the SR Site Safeguard and Security Plan. Although the SR site is 310 square miles, the typical mission flight is less than 15 minutes for the first responder mission, a time period the BK-117 can easily accommodate. The secondary responder mission, when SR would be in an extended security status, requires longer flights but allows the aircraft to return to its base for refueling without mission impact.

If the present fleet cannot meet optimum mission endurance requirements with a full load of personnel and equipment, what other aircraft are available to meet the requirements? Is the cost justified?

CAPS II discussed the mission requirements with SR and considered four different options to meet optimum mission requirements. The following options were considered:

- Converting to EC-145 helicopters,
- Sharing a Bell-412 with the NV Washington Aerial Measurements Office,
- Converting to Bell-412 helicopters, and
- A no action option.

These options are discussed in greater detail below.

³⁷

CAPS Phase One Final Report; SR Customer Summary Table.

Conversion to EC-145 Helicopters

The EC-145 helicopter is manufactured by Eurocopter, the same company that makes the BK-117. During the interviews at SR, the program and aviation staffs expressed an interest in converting to this type of helicopter. The EC-145 is similar to the BK-117 but is a newer aircraft design with a larger cockpit and cabin area. The larger interior volume would allow for placement of new equipment such as a digital downlink for the FLIR optical system and more comfort and faster egress for the emergency response teams. The EC-145 shares some parts, such as the drive components, with the BK-117; this would reduce conversion costs by reducing training time and parts necessary for the spare parts inventory. With the current mission loads, the EC-145 would have more endurance and a faster cruising speed than the BK-117, and it would not require larger hangers or landing zones. The EC-145 is currently being sold in Europe and is not available in America. Eurocopter has not established a price or market availability for this helicopter in the United States. The EC-145 is not a viable alternative in the immediate future, and no further consideration is given to this option. If and when the BK-117's are inadequate for the SR mission, the EC-145 might be a candidate for its replacement. This option will be a subject for periodic future review by OAM.

Shared Aircraft Option

The NV Emergency Response Aviation Program Review³⁸ report suggests standardizing the DOE helicopter fleet by converting to Bell-412s at SR. In addition, it also proposes that only one aircraft would be stationed at SR. The second aircraft would be shared with the NV Washington Aerial Measurements Office (WAMO) at Andrews AFB in Maryland; it would be the backup aircraft for SR. If needed, the SR aircraft would back up the WAMO aircraft, leaving SR without aviation support. As discussed in the NV section of this report, three helicopters are required to meet RSL's current mission, one on alert at the base in NV, one on alert in Maryland, and one backup aircraft. If the additional mission of backing up the SR operation was added, one more aircraft would be required to ensure that a spare aircraft was always immediately available.

DOE at SR raised several concerns about this option. The site security plan requires that an aircraft be on alert at all times. Currently, if the alert aircraft has a maintenance problem, the local, backup aircraft is immediately configured for the mission with little down time. If the backup aircraft was located in Maryland, CAPS II calculated that it would take 12 hours to reconfigure the aircraft and fly it to SR, an unacceptable amount of time under the current security plan. To ensure interoperability, all Bell-412 aircraft in the DOE fleet would have to be modified for the SR security mission and the AMS sensor missions, costing an estimated \$1,000,000 for gun mounts. A FLIR optical system and Night Sun wiring and equipment would also be required. A further complicating factor with sharing aircraft, parts, and personnel is that each DOE aviation operation is the responsibility of a different contractor. Transferring aircraft

³⁸

April 17, 2000, page 24.

between operating contractors raises responsibility and accountability questions that would have to be resolved before one contractor would be willing to accept an aircraft from another organization without a records review and official transfer. This also presents legal challenges in transferring an aircraft into, and out of, operation by SR, which is an FAA certificate holder, and NV which is not.

Conversion to Bell-412 Helicopters

The CAPS II Team investigated the economic possibility of replacing the BK-117s with larger aircraft such as the Bell-412s. The Bell-412 is a twin engine helicopter that is larger than the BK-117 and can easily meet the mission requirements at SR. A Bell-412 aircraft was used in a similar security operation at the DOE Idaho National Engineering Laboratory, and it can be modified for the special mission equipment needed at SR as well as to carry a fully equipped emergency response team. Because the SR mission requires one helicopter to be on alert at all times, two Bell-412s would have to be purchased to allow for maintenance downtime while still meeting the alert commitment. DOE would also have to modify the two aircraft as well as expend addition funds for training flight crews and maintenance personnel on a new aircraft type and purchasing a spare parts' inventory. Tables S-1 and S-2 illustrate DOE's expenses for converting to a Bell-412 operation verses the 10-year costs of maintaining the current fleet. In addition to the purchase expenses, SR would also need to enlarge its hanger in order to protect both aircraft from adverse weather, common in the SR area.

**Table S-1 DOE Budget Cost
Convert to Bell-412s
(Costs adjusted for SR requirements, two aircraft)**

| Model | Conversion Cost ³⁹ | 1 st Year Cost ⁴⁰ | 10-Year Operations Cost |
|------------|-------------------------------|---|-------------------------|
| Bell-412HP | \$6,350,000 | \$7,850,180 | \$24,862,516 |

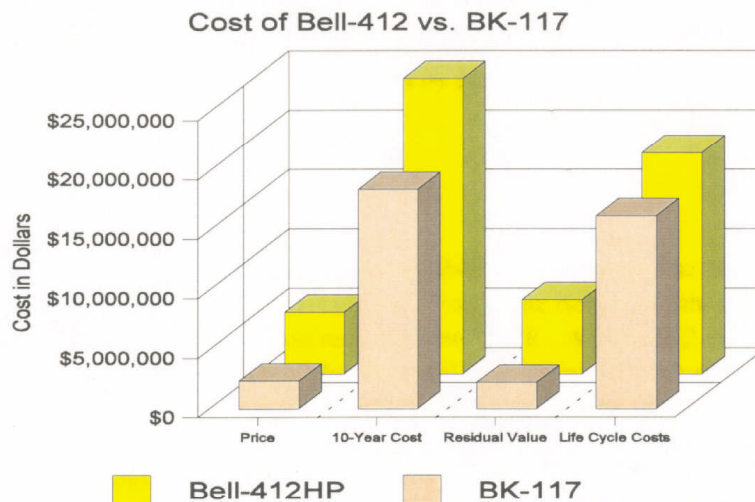
**Table S-2 10-Year Life Cycle Cost
Bell-412 Operation vs. BK-117**

| Model | Purchase Price or present value | 10-Year Cost | Residual Value | 10-Year Life Cycle Costs |
|----------------------------|---------------------------------|----------------------------|----------------|--------------------------|
| Bell-412HP | \$5,200,000 | \$24,862,516 ⁴¹ | \$6,225,000 | \$18,601,516 |
| BK-117 No Action Option | \$2,340,000 | \$18,428,054 | \$2,223,000 | \$16,205,054 |

³⁹ Includes purchase of two used Bell-412s less trade-in value of two BK-117s, modification of two aircraft, training, and parts inventory costs.

⁴⁰ Includes conversion cost and 1st year operations

⁴¹ Includes conversion cost and 10 years of operation.



The 10-year life cycle cost shows the true cost to the taxpayer for two aircraft. The life cycle cost represents the acquisition price or value at the beginning of the study period, less the value of the aircraft at the end of the study period, plus the expenses of ownership and operation during the period. This does not imply that the aircraft will be sold at the end of the study period.

No Action Option

This option assumes that the present SR fleet of two BK-117 helicopters is retained and operated under the same contracting arrangement. The SR aircraft were manufactured in 1984 and 1986, which raises concerns about possible maintenance problems and parts support associated with aging aircraft. However, the BK-117 helicopters have proven to be reliable. Eurocopter has extensive support capability for the BK-117 and is expanding its support for the EC-135 and EC-145, both of which share many common parts with the BK-117. Using a maintenance plan based on normal life cycle changes and overhauls of major components, the current fleet of two BK-117 helicopters is the most cost-effective alternative for SR during the next 10 years. As shown in Table S-2, the present fleet life cycle cost for the BK-117 indicates that the No Action Option will have a budget cost saving of \$6,398,462 and a life cycle savings of \$2,396,462 compared with disposing of the BK-117s and replacing them with Bell-412s. CAPS II recommends maintaining the current fleet of BK-117 helicopters.

Are the Wackenhut Services, Inc. costs appropriate?

The Wackenhut aviation manager, the cognizant budget analyst, and the CAPS II team discussed how aviation costs are collected and reported to DOE. Wackenhut's cost accounting system is set up to maximize its ability to produce cost records for internal company purposes and to create the necessary billing documents to DOE. Using Wackenhut's detailed accounting system, the

CAPS II team was able to determine which costs were or were not included in the monthly Wackenhut Aviation Operations Department cost report. This report is used by the local DOE and Wackenhut aviation managers in daily operations and as the basis for reporting annual aviation operations costs to DOE Headquarters and GSA.

The CAPS II team believes the aviation operations report to DOE is inaccurate. The annual aviation operation report to DOE Headquarters showed a cost of \$1,068,402 for FY 1999, but a review of the Wackenhut internal Aviation Operations Department Actual/Budget Performance Report showed cumulative charges for the fiscal year, as of September 26, 1999, to be \$1,371,856. In addition, CAPS II identified some aviation costs that were not included in the Wackenhut report and, therefore, were also not included in the annual report to DOE.

Wackenhut also included some costs that were a result of program requirements unrelated to the ownership or operation of the aircraft. CAPS II worked with the Wackenhut staff to quantify these costs and have adjusted the reported costs through a normalization process that results in DOE's true costs for the SR aviation support function.

The following items were adjusted to normalize the cost:

- ✈ The costs for procurement and accounting support personnel are not included. Wackenhut Services, Inc. assigns costs to cost centers, one of which is the Aviation Operations Department. Functions such as procurement or accounting are charged to an overhead cost center, rolled together with all other overhead costs, and invoiced directly to DOE without being allocated back to the Aviation Operations Department. The monthly Department aviation report does not contain these costs, and they do not appear on the annual aviation operations report to DOE. Wackenhut developed, at the CAPS II request, an accounting that represents this administrative overhead allocation that is missing from the Aviation Operations Department cost reports. The allocation results in an addition of 38.27 percent of direct labor and benefit costs. The resultant sum of \$399,261 per year for administrative overhead was added to the reported costs in constructing the normalized costs.
- ✈ The Wackenhut "Profit/Fee Allocation" of 16.94 percent of the direct labor and benefits costs do not appear in the aircraft cost reports. This percentage equates to a total of \$176,731 per year. This sum was added to the reported costs in constructing the normalized costs.
- ✈ The labor cost for one of the pilots flying the helicopters was missing from the report. This individual, the Wackenhut Safety Officer, is included in another cost center. Since this pilot is in the regular crew rotation and spends a substantial amount of his time in the Aviation Operations Department, the charges for his time should be reflected as a helicopter operation cost. This missing cost is \$70,830 per year, including benefits. This amount was added to the normalized costs.

- ✈ Some programmatic costs are charged against aircraft operations. These are costs required by the security program, for items such as uniforms, but are not associated with operating or maintaining the aircraft. They should not be charged as aviation operations costs. These costs have been subtracted in constructing the normalized cost matrix.
- ✈ Major component overhaul, including engine overhaul, is reported only when it occurs. No reserve funds are held for these expenses. This cash method of accounting results in large fluctuations in expenses from year-to-year, depending upon major end item replacements or overhauls of components for the helicopters. These costs were converted to industry average costs per flight hour for major component change and overhaul in the normalized cost matrix.

Wackenhut is provided its physical facilities by DOE, and Westinghouse, the site M&O contractor, handles all the facility maintenance and operations costs. These costs are not passed on to Wackenhut and are not reported as aviation costs. Since these costs will continue to exist regardless of whether the aviation services are contracted or provided by Federal employees, and because they are inseparable from the roll up of all SR facilities' costs, they are not addressed in this report.

Since Wackenhut has not developed individual aircraft charge numbers, individual cost records are not maintained for fuel, labor, benefits, parts, etc. for each aircraft. Under the current procedures, if one aircraft incurs a large maintenance cost, such as a major inspection or an engine or transmission overhaul, both aircraft share that cost. If one aircraft begins to cost more to operate than the other, the Wackenhut accounting system will not be able to detect and report the increased expense. This accounting practice violates the FAIRS accounting standards and the Government Aircraft Cost Accounting Guide.⁴² CAPS II recommends that Wackenhut use these standards.

CAPS II adjusted the SR reported costs to include all flight crew members, added reserves for engine and major component overhauls, added administrative overhead, removed programmatic costs not associated with the aircraft, and added the profit/fee paid to Wackenhut to develop the costs shown as *Present Fleet - Costs Normalized* in Table S-3. The reported cost with Administrative Overhead, G&A, and Fee for FY 1999 was \$1,068,402. CAPS II calculated the value of the costs missing from the annual report, except for the facility costs, and added them to the reported costs. The calculated costs for aviation operations at SR then became \$1,988,512. \$187.88 per flight hour was added for engine and major component overhaul and replacement. These added \$150,304 to the annual costs of the SR fleet. The total of \$2,205,289 represents the normalized cost of the annual ownership and operation of the helicopters at SR.

⁴²

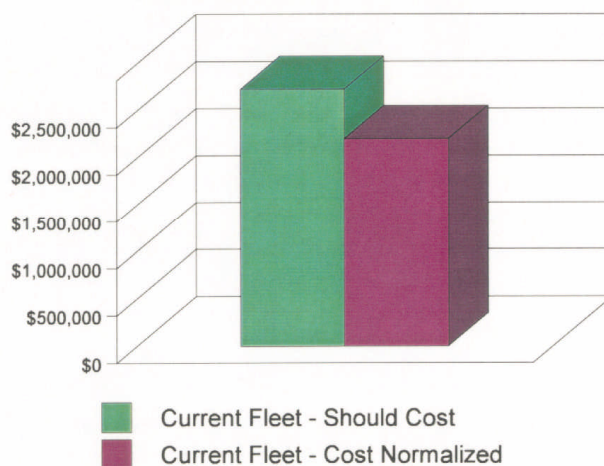
CAPS II compared these to the cost of a corporate commercial service for the same types of aircraft with 24 hours per day availability. The team adjusted the corporate costs from the Aircraft Cost Evaluator to reflect the additional crew requirement and return a 25 percent profit to the vendor. These costs, *Present Fleet - Should Cost*, are shown in Table S-3. The *Present Fleet - Current Costs Normalized* compares favorably with commercial services using “contractor-owned, contractor-operated” aircraft as shown below.

From this analysis, the CAPS II study determined that the Wackenhut aircraft operations costs are appropriate and its accounting system collects costs at the appropriate level of detail. However, the reported costs of aircraft operations are inadequate. Wackenhut is currently in the process of implementing the FAIRS standard which will resolve reporting inaccuracies.

Table S-3 Normalized Costs Comparing Commercial Services and SR BK-117 Costs
Two Helicopters

| Type of Operation | Reported Cost | Admin Overhead &/or Profit | Operations Overhead | Engine & Major Component Reserves | Total Annual Costs |
|---|---------------|----------------------------|---------------------|-----------------------------------|--------------------|
| Present Fleet - Should Cost (Commercial Services) | \$2,185,000 | \$546,250 | Included | Included | \$2,731,250 |
| Present Fleet - Current Costs Normalized (SR BK-117) | \$1,068,402 | \$920,110 | \$66,473 | \$150,304 | \$2,205,289 |

Should Cost vs. Cost Normalized



CAPS II
Recommendations and Tasks
Savannah River Site

Management Recommendations

| | |
|--|---------------------------------|
| SR: | |
| The DOE Contracting Officer should direct Wackenhut to implement the accounting and reporting standards of FAIRS. | Immediate |
| Assign aviation cost and utilization reporting responsibilities to at least one primary and one alternate employee. Ensure that employees receive formal FAIRS training. | Not later than 30 November 2001 |
| OAM: | |
| Assist SR to establish necessary conversion and translation protocols for implementation of FAIRS. | As requested by SR. |

Richland Operations Office

Pacific Northwest National Laboratory - Battelle Memorial Institute

The PNNL operates a Gulfstream G-I aircraft owned by the M&O contractor, Battelle Memorial Institute. This is a twin-engine turboprop, medium-sized airplane that has been extensively modified to perform research into atmospheric chemistry and changes in the global environment. Sensor suites developed or modified by PNNL are installed in the G-I for the research. The aircraft is one component, or tool, used in the overall atmospheric chemistry mission. Other components include the diagnostics and calibration laboratories, laboratory staffs, and environmental scientists.

Several sensors are installed in the aircraft and are in use simultaneously during mission flights. These systems have necessitated the installation of probes on the exterior of the aircraft along



with their attendant plumbing, wiring, venting and heating apparatus. In order to supply electricity to the sensor systems, the #2 aircraft engine has been modified with an auxiliary electrical generator. During mission flights, as many as six scientists are aboard to operate the equipment.

Mission preparation typically involves several months of configuration, calibration, planning, and clearances. Historically, two separate missions are undertaken each year; each composed of 2 months of preparation, then 6 to 8

weeks of field work away from the site. The aircraft is actively engaged in 8 to 9 work months per year. Historically, these activities account for 100 to 220 hours per year of flight time.

PNNL employs one pilot for this aircraft whose salary and benefits accrue against the aircraft for approximately one half of his available work time. The balance of the pilot's time is charged to program functions that do not involve this aircraft. PNNL contracts for the service of a copilot (a required crew function) on an as-needed basis when missions are scheduled. Maintenance costs for the aircraft are sub-contracted to commercial providers. The aircraft is maintained to the standards of 14 CFR 135 and operated under the standards of 14 CFR 91.

CAPS II reviewed the findings and recommendations of CAPS I concerning the following items:

- the G-I's viability as a scientific platform in lieu of another,
- the possibility of other DOE aircraft performing this mission⁴³, and
- its cost.

The team reviewed the aircraft configuration for size, floor plan, performance specifications and modifications to the airframe in order to determine its viability as a scientific platform and the possibility of other DOE aircraft performing this mission. CAPS II reviewed several mission weight and balance clearance forms for the aircraft that represented various types of configurations. The G-I is an appropriate platform for its mission, both in cabin size and in performance characteristics. During mission flights, there is virtually no excess carrying capacity, and all cabin space is used. A smaller aircraft would not serve the purpose, and a larger aircraft is not needed. DOE has no other aircraft in the fleet with its characteristics or with the necessary type of sensors.

CAPS II also examined the costs accrued to this aircraft. The PNNL records were detailed, comprehensive, and logically presented. Our audit discovered that a portion of the employee pilot's wages and benefits were charged against the program when, in fact, they involved aircraft duties. The team adjusted the reported costs for this anomaly. PNNL bought the G-I in 1987 and, by 1994, had fully depreciated the aircraft on its books. Since that time, PNNL has not charged DOE any depreciation or cost of ownership other than direct, fixed outlay costs, such as hanging, and the allocated costs of capital improvements or major repairs. PNNL charges the actual cost of direct expenses such as fuel and maintenance when they occur. These costs are marked up with G&A in accordance with the PNNL contract.

Given the low flying hour utilization for this aircraft and the extensive time spent in mission preparation, a cost per flying hour analysis is meaningless, and the better choice is to investigate the cost of alternatives on an annual basis. Two options were considered as alternatives to the contractor-owned airplane. The first option was a Government-owned airplane of a similar type that DOE would provide to the contractor for operations and maintenance. The current market price for a comparable G-I is \$750,000.⁴⁴ The newest G-I was manufactured in 1969, 31 years ago. Considering the depreciation of similar turboprop aircraft over the analysis period, the expected residual value of an aircraft at 43 years of age⁴⁵ would be scrap value, or approximately \$50,000. This option would cost DOE an additional \$710,000.

⁴³ CAPS Phase One Final Report, December 1999, pg 16.

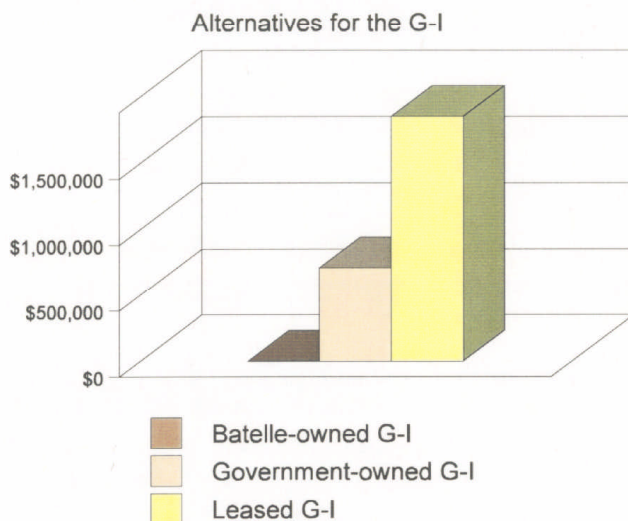
⁴⁴ Aircraft Blue Book Price Digest, *ibid*. The G-I is the least costly choice of aircraft in this class that are available on the market to serve this mission.

⁴⁵ A used G-I purchased now would nominally be 43 years old at the end of the study period.

Commercial quotes for the dry lease of a comparable G-I were solicited. The least expensive quote was for \$13,000 per month and \$200 per flight hour. DOE would be responsible for all direct and indirect costs in addition to the lease. Those costs would be the same as the current ones. Based on a conservative flight hour program of 150 hours per year, this option would cost DOE an additional \$160,000 per year or \$1,850,000 over 10 years, including inflation.

Table P-1 Alternatives for the G-I

| Aircraft | Additional Cost to DOE for 10 Years |
|----------------------|-------------------------------------|
| Battelle-owned G-I | \$0 |
| Government-owned G-I | \$710,000 |
| Leased G-I | \$1,850,000 |



DOE would have to modify a Government- owned or leased aircraft with the electrical, plumbing and structural changes necessary to accommodate and power the sensor suite. A conservative estimate of the time and materials required to modify the aircraft would be \$1,200,000, and, if leased, another \$750,000 would be required to return the aircraft to its original condition at the termination of the lease.

CAPS II considers the present contractor-owned aircraft to be the best choice for PNNL atmospheric chemistry program. PNNL should review its accounting practices with regards this airplane. Richland Operations Office should provide necessary assistance to assure that the FAIRS accounting and reporting standards are implemented. No further recommendations are made for the Richland Operations Office or PNNL.

APPENDIX

COMPREHENSIVE AVIATION PROGRAM STUDY

This appendix for the CAPS II report is organized by DOE operating locations and contains detailed results of the analysis discussed in the report. Because the CAPS II team did not recommend changes to fleet or contractor-owned aircraft at the Bonneville or Western Area Power Administrations and at the Richland Operations Office, no life cycle cost analysis or A-76 cost analysis was conducted for these locations; therefore, they are not included in this appendix.

Within each section, organized by type of aircraft, will be found the results of the cost analysis in the following order:

Summary tables showing cost projections for the present fleet and for the future fleet detailing both the GOCO and GOGO options.

Tables from the use of the Aircraft Cost Evaluator (ACE) or comparing operating costs of the various types of site aircraft considered in the study.

Tables from the Life Cycle Cost-2000 (LCCA) showing the results of the cost of ownership analysis projecting the Direct, Fixed, and Overhead costs by aircraft type for the 10-year period of the study.

Tables showing the results of the A-76 analysis by aircraft type that display the projected costs for GOCO and GOGO operations over the study period. In front of these tables are the Most Effective Organization staffing plan and the Quality Assurance Plan used in developing the A-76 estimates. The Statements of Work for each site required for the A-76 analysis have been incorporated in the narrative of the report and are found at the beginning of the discussion on each aircraft operating location.

NEVADA

PRESENT FLEET, COSTS NORMALIZED corrected 6/12/00

| Aircraft | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|----------|------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| N10EG | | \$718,755 | \$739,667 | \$794,720 | \$830,957 | \$796,540 | \$839,421 | \$836,865 | \$857,787 | \$924,069 | \$901,212 | \$8,239,993 |
| N185XP | | \$928,324 | \$951,623 | \$946,404 | \$1,337,672 | \$997,319 | \$1,044,723 | \$1,081,928 | \$1,078,856 | \$1,107,485 | \$1,136,871 | \$10,611,205 |
| N40EG | | \$69,099 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$69,099 |
| N411DE | | \$1,067,689 | \$972,569 | \$1,661,929 | \$1,021,805 | \$1,047,350 | \$1,073,534 | \$1,100,373 | \$1,529,129 | \$1,156,079 | \$1,184,981 | \$11,815,438 |
| N412DE | | \$380,343 | \$263,614 | \$270,204 | \$276,959 | \$283,883 | \$290,980 | \$298,255 | \$305,711 | \$313,354 | \$321,188 | \$3,004,491 |
| N50EG | | \$1,566 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,566 |
| N60EG | | \$428,156 | \$405,226 | \$415,356 | \$432,826 | \$436,384 | \$463,721 | \$458,476 | \$469,938 | \$521,949 | \$493,728 | \$4,525,760 |
| N6451D | | \$401,836 | \$439,389 | \$423,057 | \$433,634 | \$444,475 | \$476,517 | \$494,229 | \$482,454 | \$490,617 | \$502,882 | \$4,589,090 |
| N70EG | | \$639,168 | \$740,133 | \$668,873 | \$685,595 | \$702,735 | \$852,793 | \$738,311 | \$756,769 | \$775,688 | \$795,080 | \$7,355,145 |
| TOTALS | | \$4,634,937 | \$4,512,223 | \$5,180,546 | \$5,019,452 | \$4,708,691 | \$5,041,695 | \$5,008,444 | \$5,480,652 | \$5,289,250 | \$5,335,952 | \$50,211,787 |

Minor adjustment made to N185XP to correct an error identified while using the COO40 page

PRESENT FLEET, SHOULD COST corrected 6/12/00

| Aircraft | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|----------|------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| N10EG | | \$394,953 | \$408,359 | \$462,442 | \$493,645 | \$439,758 | \$478,313 | \$462,021 | \$473,571 | \$539,215 | \$497,546 | \$4,649,823 |
| N185XP | | \$432,344 | \$443,324 | \$419,595 | \$871,214 | \$444,441 | \$482,517 | \$507,885 | \$484,437 | \$498,538 | \$513,040 | \$5,097,335 |
| N40EG | | \$22,123 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$22,123 |
| N411DE | | \$599,642 | \$468,459 | \$1,278,225 | \$492,175 | \$504,479 | \$517,091 | \$530,018 | \$1,024,765 | \$556,850 | \$570,772 | \$6,542,476 |
| N412DE | | \$377,754 | \$235,712 | \$241,605 | \$247,645 | \$253,836 | \$260,182 | \$266,687 | \$273,354 | \$280,188 | \$287,193 | \$2,724,156 |
| N50EG | | \$1,566 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,566 |
| N60EG | | \$187,314 | \$151,636 | \$155,427 | \$167,816 | \$163,295 | \$187,091 | \$171,562 | \$175,851 | \$228,563 | \$184,754 | \$1,773,309 |
| N6451D | | \$185,439 | \$223,083 | \$195,880 | \$200,777 | \$205,797 | \$236,059 | \$248,918 | \$226,185 | \$227,161 | \$232,840 | \$2,182,139 |
| N70EG | | \$218,285 | \$325,725 | \$226,152 | \$231,806 | \$237,601 | \$402,529 | \$249,630 | \$255,870 | \$262,267 | \$268,824 | \$2,678,689 |
| TOTALS | | \$2,419,421 | \$2,256,300 | \$2,979,329 | \$2,705,082 | \$2,249,212 | \$2,563,788 | \$2,436,728 | \$2,914,041 | \$2,592,791 | \$2,554,979 | \$25,671,616 |

This recap includes the same operations costs (variable and fixed) as the "Present Fleet, Costs Normalized" recap, with the actual "overheads" removed and replaced with a 10% factor of variable and fixed for Operations Overhead and another 10% for Administrative Overhead (G&A).

This recap contains a minor correction to N185XP

NVO FUTURE FLEET SHOULD COST GOCO Corrected 6/13/00

| Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Aircraft | | | | | | | | | | | |
| N411DE | \$539,130 | \$1,200,384 | \$565,348 | \$579,482 | \$593,969 | \$994,435 | \$624,039 | \$639,640 | \$660,211 | \$672,021 | \$7,068,659 |
| N412DE | \$661,662 | \$554,770 | \$564,689 | \$578,807 | \$1,291,991 | \$609,266 | \$623,311 | \$638,894 | \$1,068,887 | \$671,238 | \$7,263,515 |
| Add'l. 412 | \$538,815 | \$551,236 | \$565,017 | \$1,260,814 | \$593,621 | \$609,619 | \$1,017,744 | \$639,265 | \$655,247 | \$676,323 | \$7,107,701 |
| PC-12 | \$436,062 | \$452,089 | \$458,138 | \$635,648 | \$481,331 | \$495,062 | \$505,699 | \$525,711 | \$531,300 | \$594,537 | \$5,115,577 |
| PC-12 | \$436,062 | \$452,089 | \$458,138 | \$635,648 | \$481,331 | \$495,062 | \$505,699 | \$525,711 | \$531,300 | \$594,537 | \$5,115,577 |
| Totals | \$2,611,731 | \$3,210,568 | \$2,611,330 | \$3,690,399 | \$3,442,243 | \$3,203,444 | \$3,276,492 | \$2,969,221 | \$3,446,945 | \$3,208,656 | \$31,671,029 |

The above future fleet is based on;

300 hours each on the helos

250 hours each on the fixed wing

Staffing of 26 positions (total cost of \$1,414,950)

Ops. O/H at actual costs from staffing plan, G&A makes up the rest of the 25% of gross labor and benefits

Maintenance labor costs of 2.6 hours per flight hour on helos, and 1.07 hours per flight hour on fixed wing

Maintenance labor costs are split 50% to direct costs (variable) and 50% to fixed costs with the fixed cost share distributed to all aircraft based on flight hours

Ops. O/H is distributed to all aircraft based on total flight hours

Year one excludes purchase of three aircraft, Bell 412 at \$2,600,000 and each PC-12 at \$2,435,000

Additional PC-12's came in at 2000 hours and 4 years old, helo came in at 3000 hours and 9 years old, just because our other 412's are that age

For "maintenance parts", other than "majors" (overhaul, life limited), I used the "Parts Airframe/Eng./Avion" from the a/c cost evaluator

Corrected June 13th, 9:46am

| NVO FUTURE FLEET SHOULD COST GOCO With BEECH 1900D corrected 6/13/00 | | | | | | | | | | | | |
|--|------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
| Aircraft | | | | | | | | | | | | |
| N411DE | | \$539,130 | \$1,200,384 | \$565,348 | \$579,482 | \$593,969 | \$994,435 | \$624,039 | \$639,640 | \$660,211 | \$672,021 | \$7,068,659 |
| N412DE | | \$661,662 | \$554,770 | \$564,689 | \$578,807 | \$1,291,991 | \$609,266 | \$623,311 | \$638,894 | \$1,068,887 | \$671,238 | \$7,263,515 |
| Add'l. 412 | | \$538,815 | \$551,236 | \$565,017 | \$1,260,814 | \$593,621 | \$609,619 | \$1,017,744 | \$639,265 | \$655,247 | \$676,323 | \$7,107,701 |
| 1900D | | \$511,725 | \$524,519 | \$537,631 | \$551,072 | \$564,849 | \$578,980 | \$593,445 | \$608,281 | \$623,488 | \$639,075 | \$5,733,065 |
| 1900D | | \$511,725 | \$524,519 | \$537,631 | \$551,072 | \$564,849 | \$578,980 | \$593,445 | \$608,281 | \$623,488 | \$639,075 | \$5,733,065 |
| Totals | | \$2,763,057 | \$3,355,428 | \$2,770,316 | \$3,521,247 | \$3,609,279 | \$3,371,280 | \$3,451,984 | \$3,134,361 | \$3,631,321 | \$3,297,732 | \$32,906,005 |

The above future fleet is based on;

300 hours each on the helos

250 hours each on the fixed wing

Staffing of 26 positions (total cost of \$1,414,950)

Ops. O/H at actual costs from staffing plan, G&A makes up the rest of the 25% of gross labor and benefits

Maintenance labor costs of 2.6 hours per flight hour on helos, and 1.07 hours per flight hour on fixed wing

Maintenance labor costs are split 50% to direct costs (variable) and 50% to fixed costs with the fixed cost share distributed to all aircraft based on flight hours

Ops. O/H is distributed to all aircraft based on total flight hours

Year one excludes purchase of three aircraft, Bell 412 at \$2,600,000 and each 1900D at \$3,800,000

Additional 1900D's came in at 10000 hours and 10 years old, helo came in at 3000 hours and 9 years old, just because our other 412's are that age

For "maintenance parts", other than "majors" (overhaul, life limited), I used the "Parts Airframe/Eng./Avion" from the a/c cost evaluator

On the 1900's I didn't have data on "majors" in the LCCA, so I used the a/c cost evaluator per hour amount times the 250 hours per year

NVO FUTURE FLEET SHOULD COST GOGO corrected 6/13/00

| Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Aircraft | | | | | | | | | | | |
| N411DE | \$573,934 | \$1,236,058 | \$601,914 | \$616,962 | \$632,386 | \$1,033,812 | \$644,401 | \$681,011 | \$702,616 | \$715,487 | \$7,438,581 |
| N412DE | \$696,466 | \$590,444 | \$601,255 | \$616,287 | \$1,330,407 | \$648,643 | \$663,673 | \$680,265 | \$1,111,292 | \$714,704 | \$7,653,436 |
| Add'l. 412 | \$573,619 | \$586,910 | \$601,583 | \$1,298,294 | \$632,038 | \$648,997 | \$1,058,106 | \$680,636 | \$697,652 | \$719,788 | \$7,497,623 |
| PC-12 | \$449,737 | \$466,106 | \$472,505 | \$650,375 | \$496,426 | \$510,534 | \$521,558 | \$541,966 | \$547,961 | \$611,615 | \$5,268,783 |
| PC-12 | \$449,737 | \$466,106 | \$472,505 | \$650,375 | \$496,426 | \$510,534 | \$521,558 | \$541,966 | \$547,961 | \$611,615 | \$5,268,783 |
| Totals | \$2,743,493 | \$3,345,624 | \$2,749,762 | \$3,832,293 | \$3,587,683 | \$3,352,520 | \$3,409,296 | \$3,125,844 | \$3,607,482 | \$3,373,209 | \$33,127,206 |

The above future fleet is based on;

300 hours each on the helos

250 hours each on the fixed wing

Staffing of 26 positions (total cost of \$1,414,950)

Ops. O/H at the actual and G&A at 12% of gross labor and benefits

Maintenance labor costs of 2.6 hours per flight hour on helos, and 1.07 hours per flight hour on fixed wing

Maintenance labor costs are split 50% to direct costs (variable) and 50% to fixed costs with the fixed cost share distributed to all aircraft based on flight hours

Ops. O/H is distributed to all aircraft based on total flight hours

Year one excludes purchase of three aircraft, Bell 412 at \$2,600,000 and each PC-12 at \$2,435,000

Additional PC-12's came in at 2000 hours and 4 years old, helo came in at 3000 hours and 9 years old, just because our other 412's are that age

For "maintenance parts", other than "majors" (overhaul, life limited), I used the "Parts Airframe/Eng./Avion" from the a/c cost evaluator

For the GOGO I have used 30% for benefits on all labor

| NVO FUTURE FLEET SHOULD COST GOGO With 1900D's corrected 6/13/00 | | | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
| Aircraft | | | | | | | | | | | |
| N411DE | \$573,934 | \$1,236,058 | \$601,914 | \$616,962 | \$632,386 | \$1,033,812 | \$644,401 | \$681,011 | \$702,616 | \$715,487 | \$7,438,581 |
| N412DE | \$696,466 | \$590,444 | \$601,255 | \$616,287 | \$1,330,407 | \$648,643 | \$663,673 | \$680,265 | \$1,111,292 | \$714,704 | \$7,653,436 |
| Add'l. 412 | \$573,619 | \$586,910 | \$601,583 | \$1,298,294 | \$632,038 | \$648,997 | \$1,058,106 | \$680,636 | \$697,652 | \$719,788 | \$7,497,623 |
| 1900D | \$525,400 | \$538,535 | \$551,999 | \$565,799 | \$579,944 | \$594,442 | \$609,303 | \$624,536 | \$640,149 | \$656,153 | \$5,886,260 |
| 1900D | \$525,400 | \$538,535 | \$551,999 | \$565,799 | \$579,944 | \$594,442 | \$609,303 | \$624,536 | \$640,149 | \$656,153 | \$5,886,260 |
| Totals | \$2,894,819 | \$3,490,482 | \$2,908,750 | \$3,663,141 | \$3,754,719 | \$3,520,336 | \$3,584,786 | \$3,290,984 | \$3,791,858 | \$3,462,285 | \$34,362,160 |

The above future fleet is based on;

300 hours each on the helos

250 hours each on the fixed wing

Staffing of 26 positions (total cost of \$1,414,950)

Ops. O/H at the actual and G&A at 12% of gross labor and benefits

Maintenance labor costs of 2.6 hours per flight hour on helos, and 1.07 hours per flight hour on fixed wing

Maintenance labor costs are split 50% to direct costs (variable) and 50% to fixed costs with the fixed cost share distributed to all aircraft based on flight hours

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For the GOGO I have used 30% for benefits on all labor

On the 1900's I didn't have data on "majors", so I used the a/c cost evaluator per hour amount times the 250 hours per year

Bechtel Nevada Cost Model

Debbie Payne, Cost Accounting Supervisor

Rande Finkley, Senior Accountant

March 10, 2000

9/28/00

Bechtel Nevada

CFO/EB

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Discussion Topics

- Types of Costs
- Cost Model Concepts
- Cost Accounting Standards
- BN Cost Model
- Developing Rates
- Applying Rates -- “Multiplier”

Types of Costs

Direct costs are costs that

- are uniquely and directly identifiable to a specific activity or project
- in the DOE environment, have a specific fund source identified on the Approved Funding Program (AFP)
- are generally a base for the allocation of indirect costs

Types of Costs

Indirect costs are costs that

- are not uniquely or directly identifiable to a specific activity
- are initially charged to a collection “*pool*”, and then pro ratably allocated or recharged by unit to a *final cost objective*
- *may* be a base for the allocation of other indirect costs

What is a Cost Model?

A Cost Model is

- A defined and formal method of allocating indirect costs to final cost objectives.
- A means of ensuring the consistent application of indirect costs (Cost Accounting Standard)

Cost Model Types

There are three basic types of cost models:

- **Single Input** - indirect costs are allocated on a single type of cost, such as labor.
- **★ Value-Added** - indirect costs are allocated on labor plus other labor-related costs.
- **Total Cost** - indirect costs are allocated on total costs.

Cost Accounting Standards

Cost Accounting Standards are

- A group of nineteen standards dictating how costs of Government contractors are measured, accumulated, assigned to years, and allocated.
- Issued by the CAS Board, an independent, five-member board within the Office of Federal Procurement Policy.

Cost Accounting Standards

- Codified in Title 48 of the Code of Federal Regulations (CFRs) as Part 9904.
- Enforced through the “Cost Accounting Standards” clause and the “Administration of Cost Accounting Standards” clause contained in BN’s contract.

Cost Accounting Standards

Requirements:

- Consistency in methods used to budget and record (or collect) costs
- Consistency in classifying and allocating “like” kinds of costs -- prevents “double dipping” - charging a type of cost to a direct fund source one time and then charging the same type of cost to an indirect pool the next time.
- The contractor must establish a policy for the treatment of its variances, which are the difference between actual costs and costs applied through a rate.

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Cost Accounting Standards

Requirements (continued):

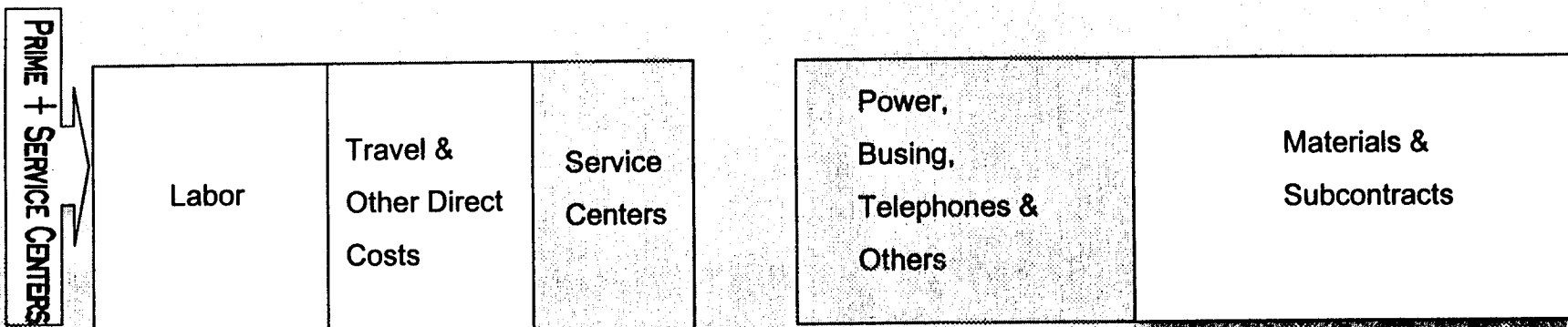
- *Unallowable* costs must be excluded from contract costs while being allocated their fair share of indirect costs.
- Indirect costs must be allocated to direct costs based on who is causing or benefitting from the cost, i.e., “causal-beneficial” relationship.
- G&A expenses must be accumulated in a separate cost pool and allocated to final cost objectives through a base that represents total business activity.

FY00 Cost Model

(From a Direct Fund Source Perspective)

Prime costs are first-incurrence costs, or costs that have not been allocated after being charged to an indirect pool.

Service Center costs are costs collected in an indirect pool and charged on a unit usage basis.



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FY00 Cost Model

(From a Direct Fund Source Perspective)

BN's value-added base includes labor-related and *most* service center costs.

Other Direct Costs include training, travel, and other miscellaneous costs.

PRIME + SERVICE CENTERS

| | | |
|-------|-----------------------------------|--------------------|
| Labor | Travel & Other Direct Costs | Service Centers |
|-------|-----------------------------------|--------------------|

VALUE-ADDED BASE

Service Centers include health protection equipment, vehicles, analytical lab services, etc.

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FY00 Cost Model

(From a Direct Fund Source Perspective)

BN's non-value-added base includes procurements and service centers, where the majority of the costs are already burdened with the supplier's overhead

Service centers include buses, telephones and power, which are comprised of large contracts.

Procurement includes both materials and subcontracts

Power,
Busing,
Telephones &
Others

Materials &
Subcontracts

NON-VALUE-ADDED BASE

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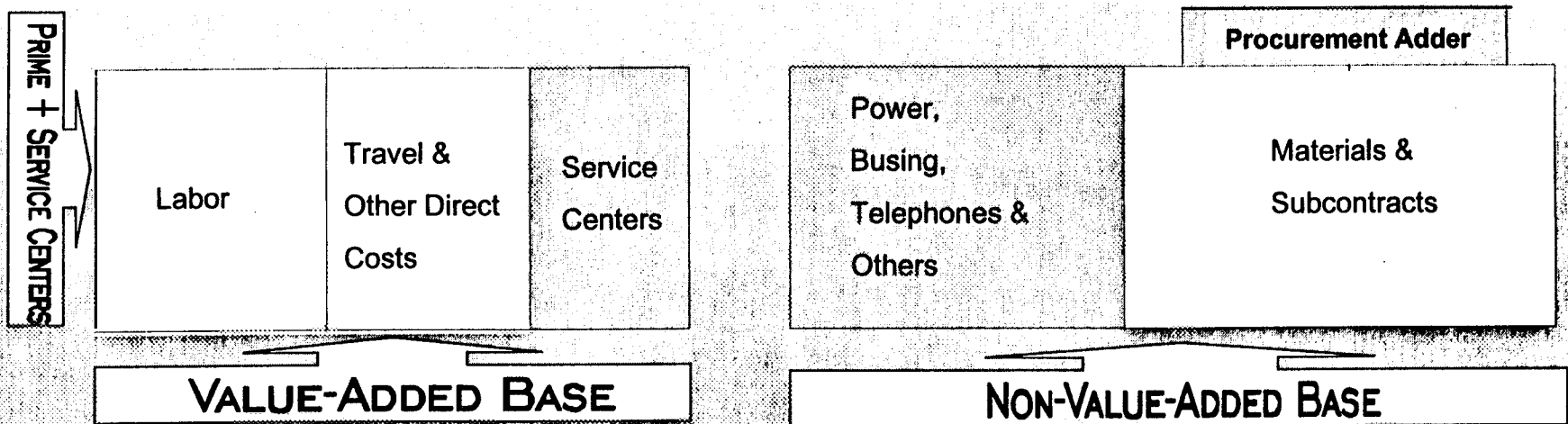
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FY00 Cost Model

(From a Direct Fund Source Perspective)

The Procurement adder (at 4%) is applied to purchase order costs. It is classified as a "service center."



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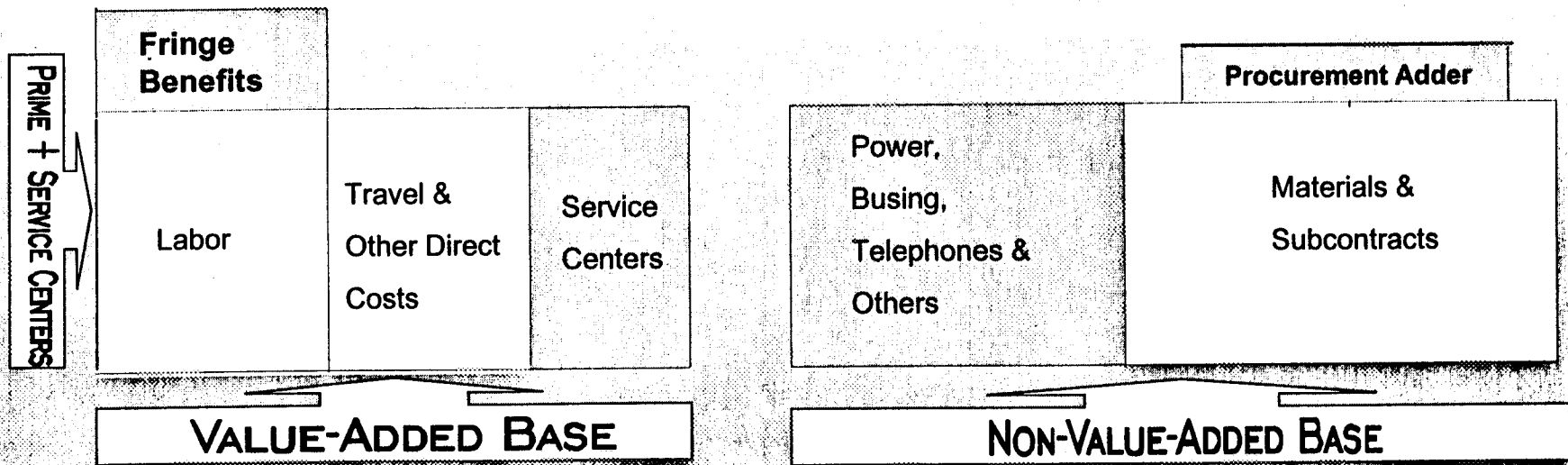
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FY00 Cost Model

(From a Direct Fund Source Perspective)

Fringe Benefits (at 44%) are applied to labor costs.
Fringe is classified as a "service center."

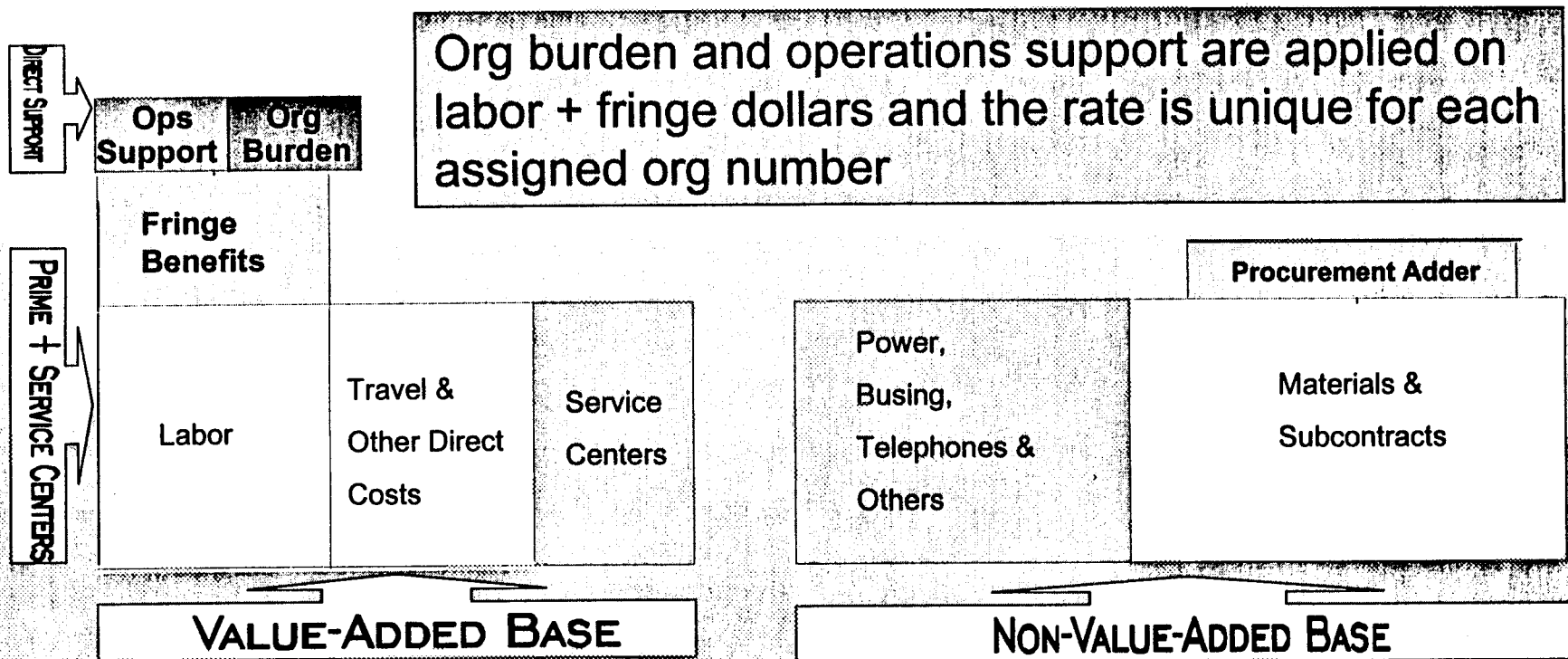


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FY00 Cost Model

(From a Direct Fund Source Perspective)

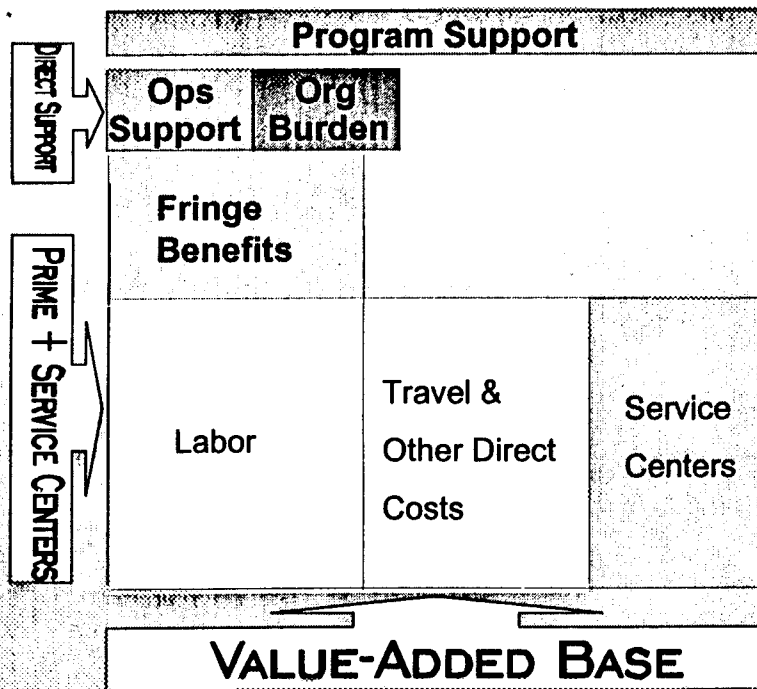
Direct Support consists of Program and Operations Support.



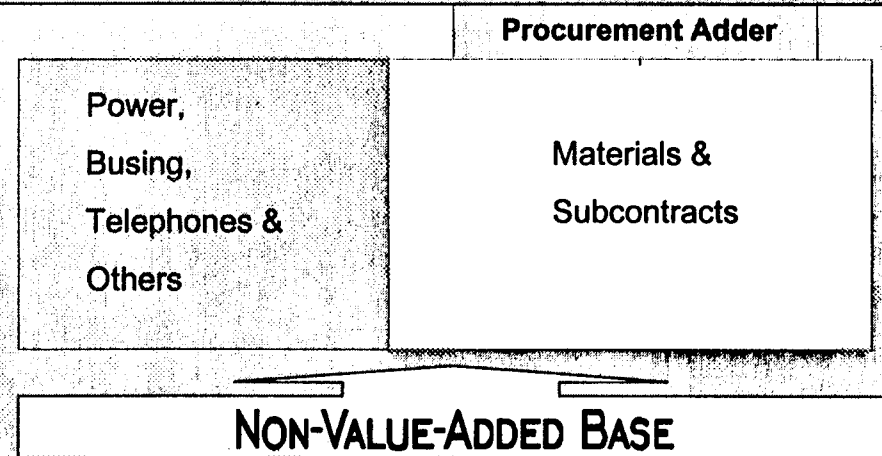
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FY00 Cost Model

(From a Direct Fund Source Perspective)



Program support is applied on labor + fringe + operations support/org burden dollars. Program support rates are unique to the program number which is assigned when a charge number is set up, after consideration as to what overheads should be applied to the project.



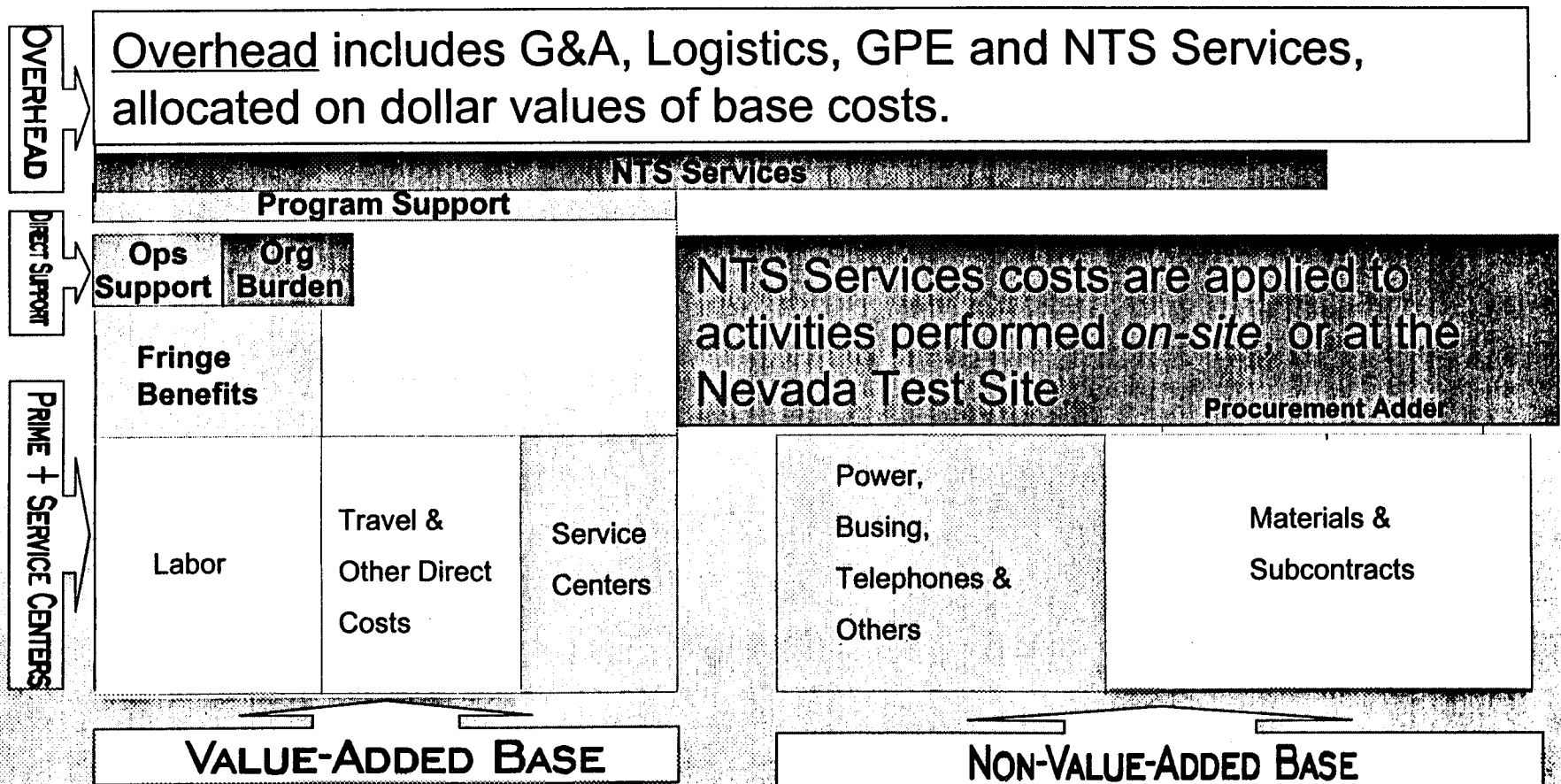
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FY00 Cost Model

(From a Direct Fund Source Perspective)



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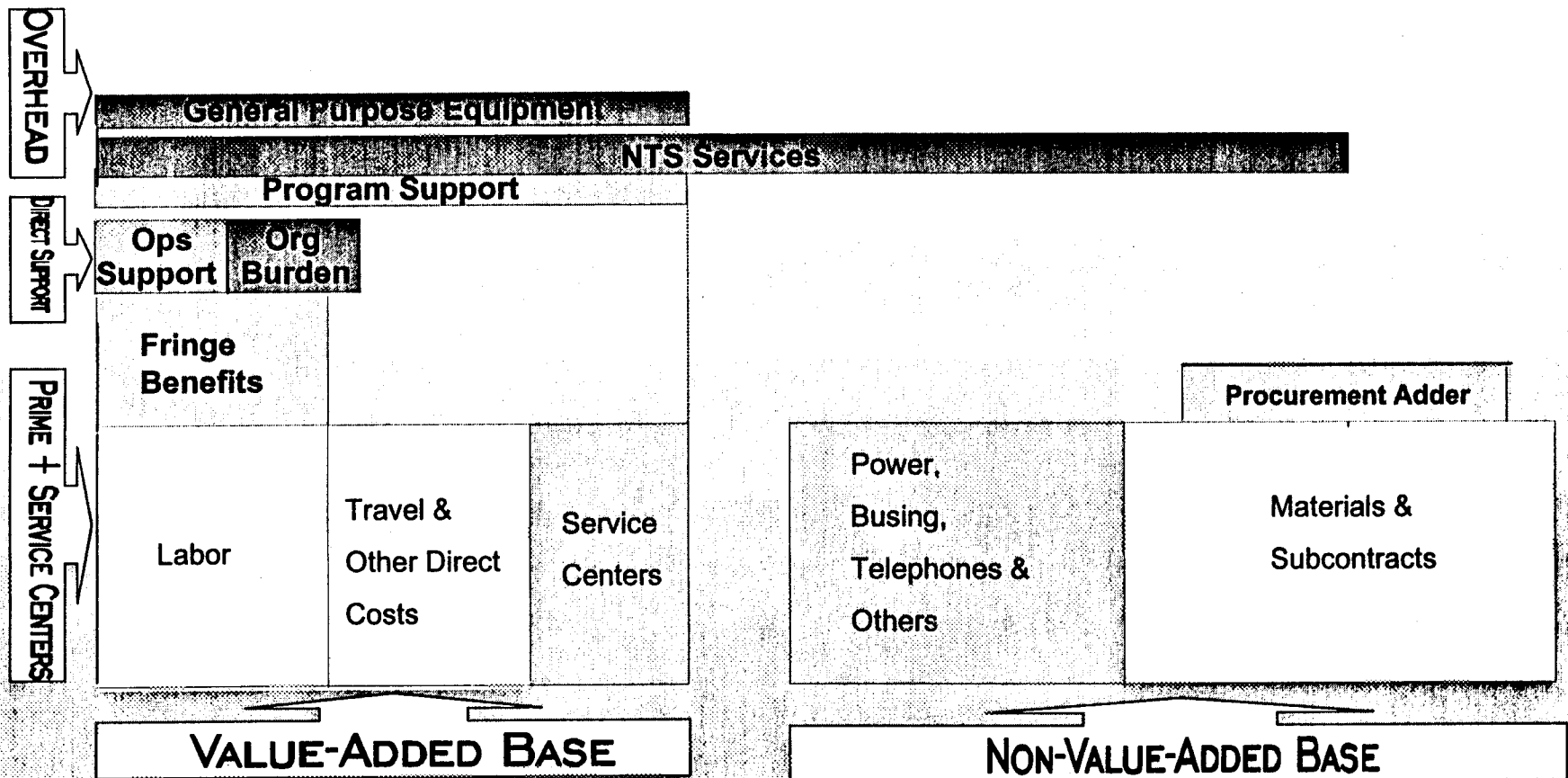
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FY00 Cost Model

(From a Direct Fund Source Perspective)



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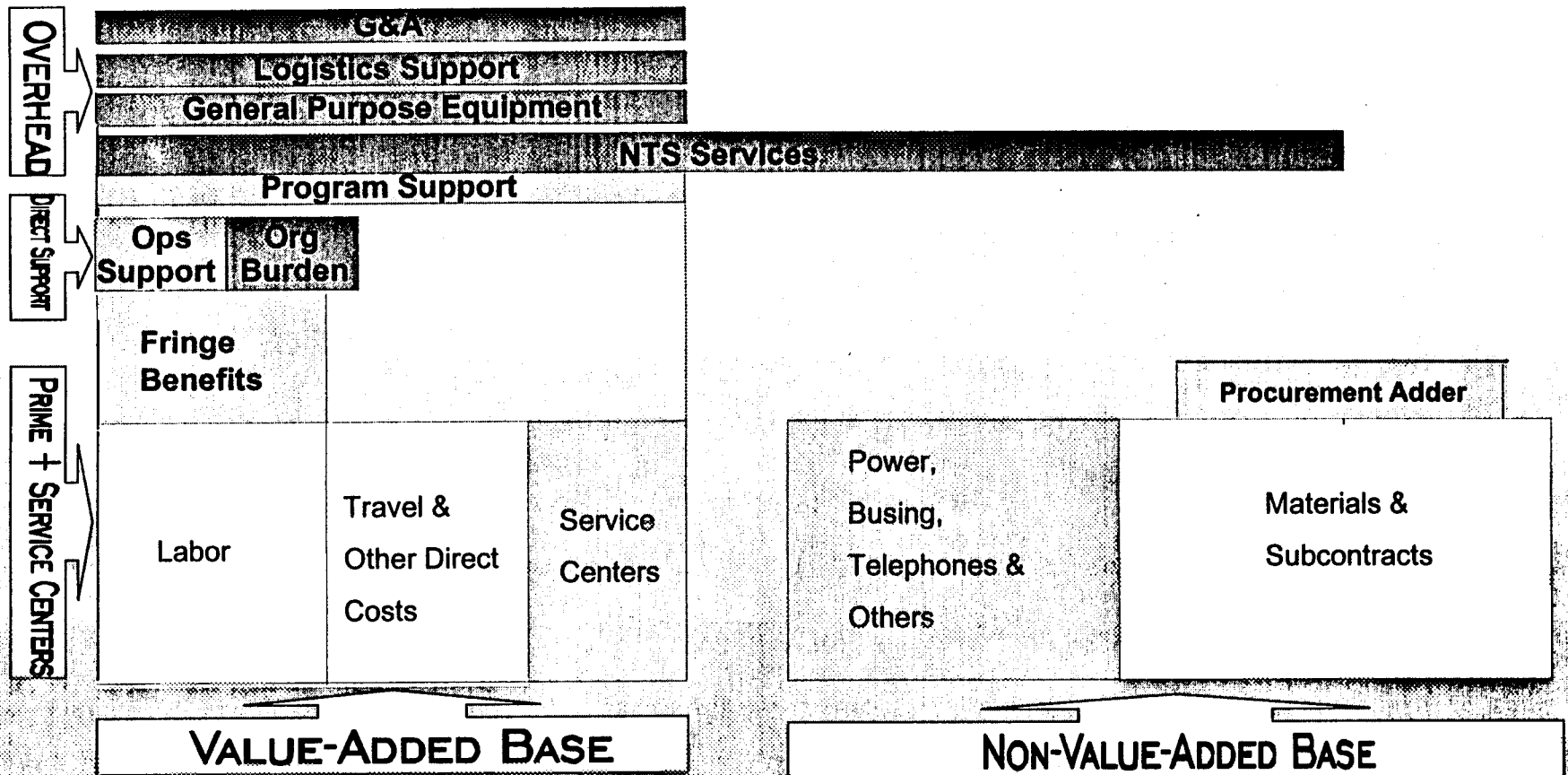
FY00 Cost Model

(From a Direct Fund Source Perspective)

General Purpose Equipment (GPE) is capital equipment that benefits multiple cost objectives and customers. It is part of a DOE pilot program that allows the purchase of general use or institutional equipment out of an indirect cost pool.

FY00 Cost Model

(From a Direct Fund Source Perspective)



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FY00 Cost Model

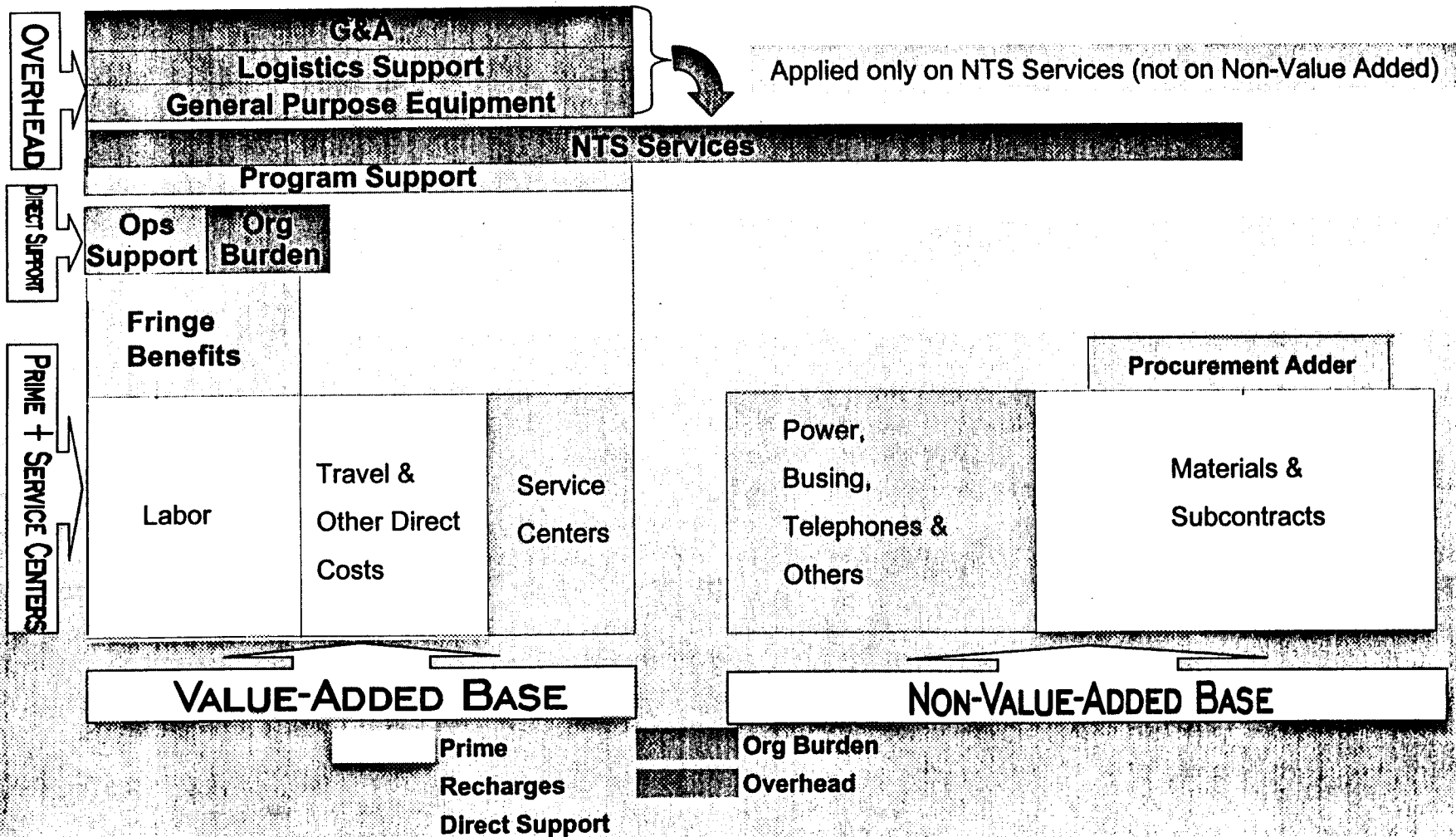
(From a Direct Fund Source Perspective)

Logistics Support includes activities that are facility-related or infrastructure, such as ISD Computing, Telephones, and Security.

The **General & Administrative pool (G&A)** includes activities that benefit the entire company, such as the Executive Office, Human Resources, Project Controls, Strategic Business Development, CFO and ES&H.

FY00 Cost Model

(From a Direct Fund Source Perspective)



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Developing Rates

- Rates are developed by dividing the *estimated* indirect cost by the rate base, or the *estimated* base over which those costs are to be applied.
- The estimates are captured as “assumptions” so that actual revenues can be analyzed against the original plan.

Developing Rates

Overhead and Direct Support rate assumptions:

- FY00 Total contract expenditures = \$310m
- Dependent upon funding availability, expected spending, and mix of costs
 - Labor / Non-Labor
 - On-site / Off-site

Developing Rates

Service Center rate assumptions:

- Currently left up to service center owners
- Improvements are needed to assure that:
 - planned “buys” equal planned “sells”
 - variable versus fixed costs are understood
 - revenues are forecast

FY99 Cost Model

Estimating NSR Total Costs

- For Labor:

| | |
|-----------------------|------------|
| Labor Cost | \$100 |
| Fringe Benefits @ 46% | <u>46</u> |
| Subtotal Labor | \$146 |
| RSL Ops Sppt @ 24% | <u>35</u> |
| Subtotal Labor | \$181 |
| NSR Program Sppt @ 4% | <u>7</u> |
| Subtotal Labor | \$188 |
| NTS Serv. @ 13.5% | <u>25</u> |
| Subtotal Labor | \$213 |
| Log+GPE+G&A @ 55% | <u>117</u> |
| Total Labor | \$330 |

- For Materials and Subcontracts:

| | |
|--------------------|----------|
| Material Cost | \$100 |
| Procurement @ 4% | <u>4</u> |
| Subtotal Material | \$104 |
| NTS Serv. @13.5% | 14 |
| Log+GPE+G&A @ 55%* | <u>8</u> |
| Total Material | \$126 |

*Applied on NTS Services cost only

FY00 Cost Model

Estimating NSR Total Costs

- For Labor:

| | |
|-------------------------|------------|
| Labor Cost | \$100 |
| Fringe Benefits @ 44% | <u>44</u> |
| Subtotal Labor | \$144 |
| RSL Ops Sppt @ 24% | <u>35</u> |
| Subtotal Labor | \$179 |
| NSR Program Sppt @ 3.5% | <u>6</u> |
| Subtotal Labor | \$185 |
| NTS Serv. @ 15.5% | <u>29</u> |
| Subtotal Labor | \$214 |
| Log+GPE+G&A @ 53% | <u>113</u> |
| Total Labor | \$327 |

- For Materials and Subcontracts:

| | |
|-----------------------|----------|
| Material Cost | \$100 |
| Procurement Adder @4% | <u>4</u> |
| Subtotal Material | \$104 |
| NTS Serv. @15.5% | 16 |
| Log+GPE+G&A @ 53%* | <u>8</u> |
| Total Material | \$128 |

*Applied on NTS Services cost only

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FY98 LAB METRICS MULTIPLIER COMPARISONS

| | <u>INEEL</u> | <u>BN</u> | <u>BNL</u> | <u>LLNL</u> | <u>PNNL</u> | <u>SNL</u> | <u>ORNL</u> |
|-----------------------------|--------------|-----------|------------|-------------|-------------|------------|-------------|
| AVG HRLY SALARY | 28.79 | 24.00 | 37.85 | 39.27 | 32.52 | 37.41 | 33.44 |
| LABOR MULTIPLIER | 2.215 | 2.93 | 2.246 | 2.290 | 2.830 | 2.658 | 2.980 |
| BURDENED AVG HRLY SALARY | 63.77 | 70.32 | 85.01 | 89.93 | 92.03 | 99.44 | 99.65 |

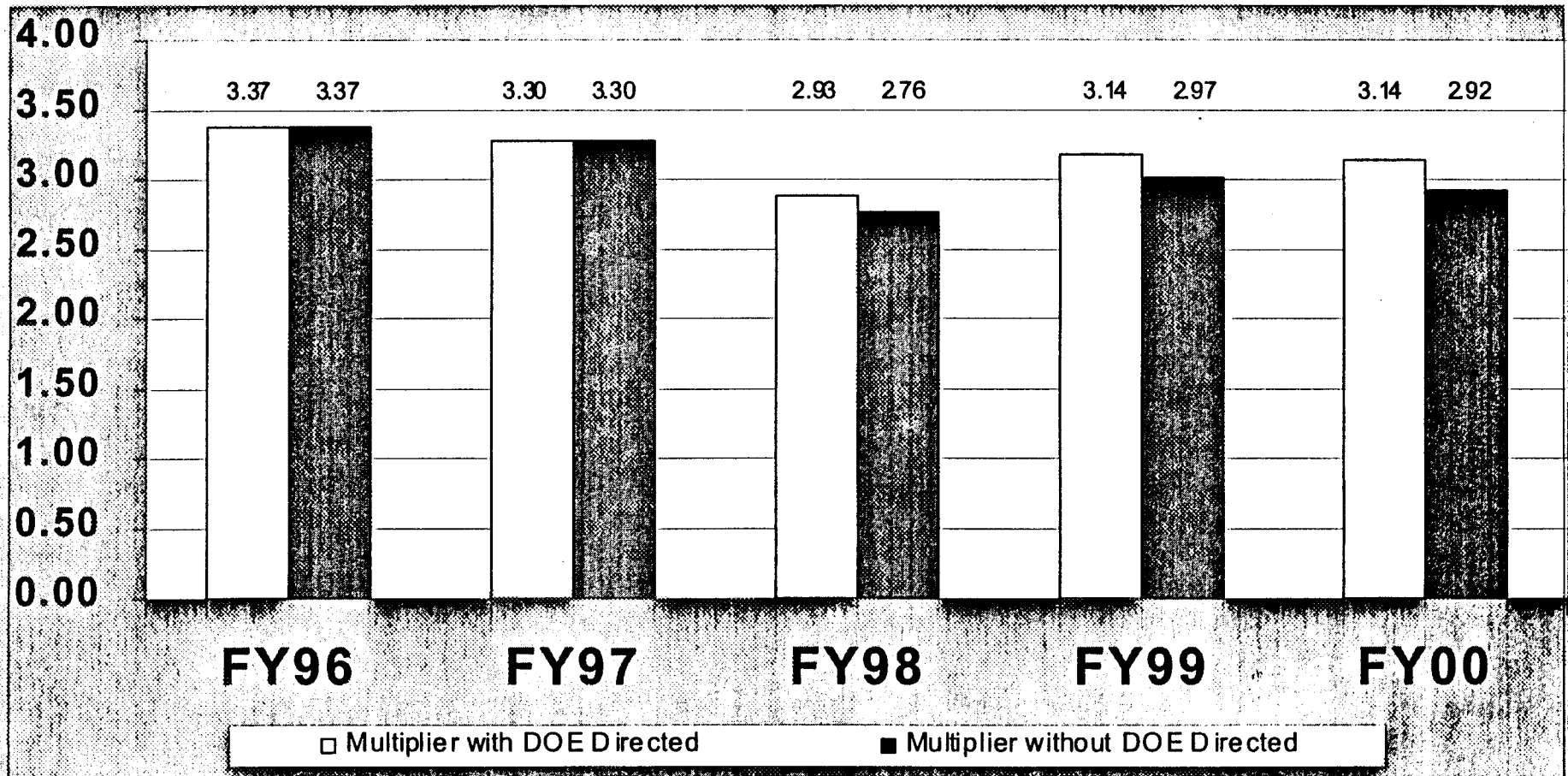
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BN Performance

Historical Labor Multiplier



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The Aircraft Cost Evaluator

| DIRECT COST - \$ | Bell 412EP | S-76C+ | Bell 412SP |
|-----------------------------------|-------------------|---------------|-------------------|
| Fuel (1) | 232.78 | 181.28 | 226.60 |
| Fuel Additives | 0.00 | 0.00 | 0.00 |
| Lubricants | 6.98 | 5.44 | 6.80 |
| Maintenance Labor (2) | 134.56 | 168.20 | 134.56 |
| Parts Airframe/Eng/Avion (3) | 198.69 | 195.25 | 198.69 |
| Engine Restoration (4) | 170.20 | 165.60 | 170.20 |
| Thrust Reverser Overhaul | 0.00 | 0.00 | 0.00 |
| Propeller Overhaul | 0.00 | 0.00 | 0.00 |
| APU Overhaul | 0.00 | 0.00 | 0.00 |
| Dynamic Comp/Life Ltd Parts | 109.43 | 69.58 | 119.43 |
| Misc Exp. - Landing/Parking | 14.28 | 12.60 | 14.28 |
| - Crew Expenses | 32.00 | 32.00 | 32.00 |
| - Supplies/Catering | 8.00 | 8.00 | 8.00 |
| - Other | 0.00 | 0.00 | 0.00 |
| Fractional Cost/Hour + Tax | 0.00 | 0.00 | 0.00 |
| Total Direct Cost/Hour | 906.92 | 837.95 | 910.56 |
| Average Block Speed-Mph. (5) | 132 | 151 | 132 |
| Total Direct Cost/St. Mile | 6.87 | 5.55 | 6.90 |

FOOTNOTES - \$ Operation: 1 - 2 Aircraft Date: 9/28/2000

| Type of Operation: | Corporate | Corporate | Corporate |
|-----------------------------|-------------|-------------|-------------|
| 1 /Fuel Cost | 2.06 | 2.06 | 2.06 |
| Gallons/Hour | 113 | 88 | 110 |
| 2 /Maint. Labor Cost/Hour | 58.00 | 58.00 | 58.00 |
| Maint. Hours/Flight Hours | 2.32 | 2.90 | 2.32 |
| 3 /Incl. Engine Parts Cost | Yes | Yes | Yes |
| 4 /Overhaul Cost Source | Estimated | Estimated | Estimated |
| 5 /Block Speed Source | 90% Vcruise | 90% Vcruise | 90% Vcruise |
| 6 /Crew Salary Source | 2000 R&W | 2000 R&W | 2000 R&W |
| Number of Crew | 2 | 2 | 2 |
| 7 /Insured Hull Value | 5645000 | 7950000 | 2175000 |
| Hull Insurance Rate (%) | 2.25 | 2.25 | 2.25 |
| 8 /Modernization | .4% x Price | .4% x Price | .4% x Price |
| 9 /Refurbish Labor Hrs/Seat | 20 | 20 | 20 |
| 10/Comp. Mx Program Source | MxManager | MxManager | MxManager |
| 11/Weather Service Source | Typical | Typical | Typical |
| 12/Aircraft Purchase Price | 5645000 | 7950000 | 2175000 |
| Depreciation Rate | 10% per yr | 10% per yr | 10% per yr |
| 13/Market Depr % / Year | 5 | 5 | 5 |

The Aircraft Cost Evaluator

| FIXED COST - \$ | Bell 412EP | S-76C+ | Bell 412SP |
|------------------------------|-------------------|------------------|-------------------|
| Crew Salaries - Captain (6) | 77,300 | 77,300 | 77,300 |
| - Co Pilot | 50,200 | 50,200 | 50,200 |
| - Flt Eng/Other | 0 | 0 | 0 |
| - Benefits | 38,250 | 38,250 | 38,250 |
| Hangar - Typical | 22,950 | 22,950 | 22,950 |
| Insurance - Hull (7) | 127,013 | 178,875 | 48,938 |
| Admitted Liability | 2,000 | 2,000 | 2,000 |
| Legal Liability | 8,000 | 8,000 | 8,000 |
| Recurrent Training | 18,400 | 16,800 | 18,400 |
| Aircraft Modernization (8) | 22,580 | 31,800 | 8,700 |
| Navigation Chart Service | 375 | 375 | 375 |
| Refurbishing (9) | 6,960 | 6,960 | 6,960 |
| Computer Mx. Program (10) | 1,850 | 1,850 | 1,850 |
| Weather Service (11) | 665 | 665 | 665 |
| Other Fixed Costs | 0 | 0 | 0 |
| Fractional Cost/Yr + Tax | 0 | 0 | 0 |
| Book Depreciation (12) | 564,500 | 795,000 | 217,500 |
| Total Fixed Cost/Year | 941,043 | 1,231,025 | 502,088 |

| ANNUAL BUDGET - \$ | Corporate | Corporate | Corporate |
|-------------------------------------|------------------|------------------|------------------|
| Utilization - St. Miles | 50,000 | 50,000 | 50,000 |
| - Hours | 379 | 331 | 379 |
| Direct Cost | 343,724 | 277,361 | 345,102 |
| Fixed Cost | 941,043 | 1,231,025 | 502,088 |
| Total Cost (Book Dep.) | 1,284,767 | 1,508,386 | 847,189 |
| - Per Hour | 3,390 | 4,557 | 2,235 |
| - Per St. Mile | 25.70 | 30.17 | 16.94 |
| - Per Seat St. Mile | 4.28 | 5.03 | 2.82 |
| Total Cost (No Depreciation) | 720,267 | 713,386 | 629,689 |
| - Per Hour | 1,900 | 2,155 | 1,661 |
| - Per St. Mile | 14.41 | 14.27 | 12.59 |
| - Per Seat St. Mile | 2.40 | 2.38 | 2.10 |
| Total Cost (No Depreciation) | 720,267 | 713,386 | 629,689 |
| Market Depreciation (13) | 282,250 | 397,500 | 108,750 |
| Total Cost (Market Dep.) | 1,002,517 | 1,110,886 | 738,439 |
| - Per Hour | 2,645 | 3,356 | 1,948 |
| - Per St. Mile | 20.05 | 22.22 | 14.77 |
| - Per Seat St. Mile | 3.34 | 3.70 | 2.46 |

The Aircraft Cost Evaluator

| GENERAL - \$ | Bell 412EP | S-76C+ | Bell 412SP |
|----------------------------|-------------|---------|-------------|
| Cabin-Height (Ft.) | 4.30 | 4.50 | 4.30 |
| - Width | 8.00 | 5.30 | 8.00 |
| - Length | 7.70 | 8.10 | 7.70 |
| Cabin volume (Cu. Ft.) | 220.00 | 204.00 | 220.00 |
| Cabin Door Height (Ft.) | 4.10 | 4.40 | 4.10 |
| - Width | 6.20 | 2.80 | 6.20 |
| Baggage -Int. (Cu.Ft.) | 0.00 | 0.00 | 0.00 |
| - External | 28.00 | 38.00 | 28.00 |
| Typical Crew/Pass Seating | 2/6 | 2/6 | 2/6 |
| Weight-Max Take-off (Lbs.) | 11,900 | 11,700 | 11,900 |
| - Maximum Landing | | | |
| - Basic Operating | 7,905 | 8,281 | 7,905 |
| - Usable Fuel | 2,214 | 1,883 | 2,214 |
| Payload-Full Fuel (Lbs.) | 1,781 | 1,536 | 1,781 |
| - Maximum | 3,995 | 3,419 | 3,995 |
| Certified/IFR Certified | Yes/Yes | Yes/Yes | Yes/Yes |
| Price - New (Typical)/1000 | 5,645 | 7,950 | |
| - Pre Owned Rng/1000 | 1,890/3,200 | / | 1,192/2,800 |

PERFORMANCE

Range-NBAA IFR Res (N.Mi.)
 Seats Full
 Tanks Full

| | | | |
|---------------------------|-----|-----|-----|
| Range-30 Min. Res (N.Mi.) | | | |
| Seats Full | 312 | 366 | 312 |
| Tanks Full | 312 | 366 | 312 |

Balanced Field Length (Ft.)
 Landing Distance - FAR 121

| | | | |
|------------------------|-------|-------|-------|
| Rate Of Climb (Ft/Min) | 1,350 | 1,625 | 1,350 |
| - One Engine Out | 500 | 350 | 500 |

| | | | |
|-------------------------|-----|-----|-----|
| Cruise Speed-Max (KTAS) | 124 | 155 | 130 |
| - Normal | | | |
| - Long Range | 122 | 138 | 125 |
| Stall Speed (IAS) | | | |

| | | | |
|-----------------------|--------|--------|--------|
| Ceiling-Service (Ft.) | 16,500 | 12,700 | 16,500 |
| - Service OEI | 6,800 | 3,750 | 6,800 |
| - Hover IGE | 10,200 | 6,800 | 10,200 |
| - Hover OGE | 5,200 | 2,150 | 5,200 |

The Aircraft Cost Evaluator

| DIRECT COST - \$ | PC 12 | King Air 200 | Grand Caravan |
|-----------------------------------|---------------|---------------------|----------------------|
| Fuel (1) | 129.78 | 203.94 | 109.18 |
| Fuel Additives | 0.00 | 0.00 | 0.53 |
| Lubricants | 0.00 | 0.00 | 0.00 |
| Maintenance Labor (2) | 49.40 | 154.05 | 35.75 |
| Parts Airframe/Eng/Avion (3) | 55.94 | 152.91 | 34.40 |
| Engine Restoration (4) | 70.48 | 133.10 | 52.30 |
| Thrust Reverser Overhaul | 0.00 | 0.00 | 0.00 |
| Propeller Overhaul | 1.76 | 2.92 | 1.05 |
| APU Overhaul | 0.00 | 0.00 | 0.00 |
| Dynamic Comp/Life Ltd Parts | 0.00 | 0.00 | 0.00 |
| Misc Exp. - Landing/Parking | 4.96 | 6.25 | 4.38 |
| - Crew Expenses | 67.50 | 135.00 | 67.50 |
| - Supplies/Catering | 32.00 | 32.00 | 40.00 |
| - Other | 0.00 | 0.00 | 0.00 |
| Fractional Cost/Hour + Tax | 0.00 | 0.00 | 0.00 |
| Total Direct Cost/Hour | 411.82 | 820.17 | 345.09 |
| Average Block Speed-Mph. (5) | 244 | 259 | 164 |
| Total Direct Cost/St. Mile | 1.69 | 3.17 | 2.10 |

FOOTNOTES - \$ Operation: 1 - 2 Aircraft Date: 9/28/2000

| Type of Operation: | Corporate | Corporate | Corporate |
|-----------------------------|-------------|-------------|-------------|
| 1 /Fuel Cost | 2.06 | 2.06 | 2.06 |
| Gallons/Hour | 63 | 99 | 53 |
| 2 /Maint. Labor Cost/Hour | 65.00 | 65.00 | 65.00 |
| Maint. Hours/Flight Hours | .76 | 2.37 | .55 |
| 3 /Incl. Engine Parts Cost | No | No | No |
| 4 /Overhaul Cost Source | 99JSSI Comp | 99JSSI Comp | 99JSSI Comp |
| 5 /Block Speed Source | Estimated | AC Manual | Mftr Data |
| 6 /Crew Salary Source | Estimated | 98 NBAA +6% | Estimated |
| Number of Crew | 1 | 2 | 1 |
| 7 /Insured Hull Value | 2700000 | 1480000 | 1422085 |
| Hull Insurance Rate (%) | 0.55 | 0.55 | 0.55 |
| 8 /Modernization | .4% x Price | .4% x Price | .4% x Price |
| 9 /Refurbish Labor Hrs/Seat | 20 | 20 | 20 |
| 10/Comp. Mx Program Source | MxManager | MxManager | MxManager |
| 11/Weather Service Source | Typical | Typical | Typical |
| 12/Aircraft Purchase Price | 2700000 | 1480000 | 1422085 |
| Depreciation Rate | 10% per yr | 10% per yr | 10% per yr |
| 13/Market Depr % / Year | 6 | 6 | 6 |

The Aircraft Cost Evaluator

| FIXED COST - \$ | PC 12 | King Air 200 | Grand Caravan |
|------------------------------|----------------|---------------------|----------------------|
| Crew Salaries - Captain (6) | 61,268 | 61,268 | 61,268 |
| - Co Pilot | 0 | 42,400 | 0 |
| - Flt Eng/Other | 0 | 0 | 0 |
| - Benefits | 18,380 | 31,100 | 18,380 |
| Hangar - Typical | 16,200 | 24,147 | 16,200 |
| Insurance - Hull (7) | 14,850 | 8,140 | 7,821 |
| Admitted Liability | 2,400 | 2,400 | 3,000 |
| Legal Liability | 8,000 | 8,000 | 8,000 |
| Recurrent Training | 2,500 | 12,600 | 3,900 |
| Aircraft Modernization (8) | 10,800 | 5,920 | 5,688 |
| Navigation Chart Service | 1,277 | 1,277 | 1,277 |
| Refurbishing (9) | 9,100 | 7,800 | 11,700 |
| Computer Mx. Program (10) | 1,850 | 1,850 | 1,850 |
| Weather Service (11) | 2,235 | 2,235 | 2,235 |
| Other Fixed Costs | 0 | 0 | 0 |
| Fractional Cost/Yr + Tax | 0 | 0 | 0 |
| Book Depreciation (12) | 270,000 | 148,000 | 142,209 |
| Total Fixed Cost/Year | 418,860 | 357,137 | 283,529 |

| ANNUAL BUDGET - \$ | Corporate | Corporate | Corporate |
|-------------------------------------|------------------|------------------|------------------|
| Utilization - St. Miles | 135,000 | 135,000 | 135,000 |
| - Hours | 553 | 521 | 823 |
| Direct Cost | 227,737 | 427,309 | 284,009 |
| Fixed Cost | 418,860 | 357,137 | 283,529 |
| Total Cost (Book Dep.) | 646,597 | 784,446 | 567,538 |
| - Per Hour | 1,169 | 1,506 | 690 |
| - Per St. Mile | 4.79 | 5.81 | 4.20 |
| - Per Seat St. Mile | .68 | .97 | .47 |
| Total Cost (No Depreciation) | 376,597 | 636,446 | 425,329 |
| - Per Hour | 681 | 1,222 | 517 |
| - Per St. Mile | 2.79 | 4.71 | 3.15 |
| - Per Seat St. Mile | .40 | .79 | .35 |
| Total Cost (No Depreciation) | 376,597 | 636,446 | 425,329 |
| Market Depreciation (13) | 162,000 | 88,800 | 85,325 |
| Total Cost (Market Dep.) | 538,597 | 725,246 | 510,654 |
| - Per Hour | 974 | 1,392 | 620 |
| - Per St. Mile | 3.99 | 5.37 | 3.78 |
| - Per Seat St. Mile | .57 | .90 | .42 |

The Aircraft Cost Evaluator

| GENERAL - \$ | PC 12 | King Air 200 | Grand Caravan |
|----------------------------|-------------|--------------|---------------|
| Cabin-Height (Ft.) | 4.80 | 4.80 | 4.50 |
| - Width | 5.00 | 4.50 | 5.30 |
| - Length | 16.90 | 16.70 | 16.40 |
| Cabin volume (Cu. Ft.) | 330.00 | 303.00 | 340.00 |
| Cabin Door Height (Ft.) | 4.50 | 4.30 | 4.20 |
| - Width | 2.10 | 2.30 | 2.00 |
| Baggage -Int. (Cu.Ft.) | 40.00 | 54.00 | 33.00 |
| - External | 0.00 | 0.00 | 0.00 |
| Typical Crew/Pass Seating | 1/7 | 2/6 | 1/9 |
| Weight-Max Take-off (Lbs.) | 9,920 | 12,500 | 8,750 |
| - Maximum Landing | 9,920 | 12,500 | 8,500 |
| - Basic Operating | 6,130 | 8,550 | 4,800 |
| - Usable Fuel | 2,704 | 3,645 | 2,224 |
| Payload-Full Fuel (Lbs.) | 1,131 | 395 | 1,761 |
| - Maximum | 2,910 | 1,850 | 3,105 |
| Certified/IFR Certified | Yes/Yes | Yes/Yes | Yes/Yes |
| Price - New (Typical)/1000 | 2,700 | 1,754 | 1,422 |
| - Pre Owned Rng/1000 | 2,300/3,047 | 849/1,950 | 745/1,389 |

PERFORMANCE

| | | | |
|-----------------------------|--------|--------|--------|
| Range-NBAA IFR Res (N.Mi.) | | | |
| Seats Full | 1,340 | 1,075 | 780 |
| Tanks Full | 1,660 | 1,490 | 810 |
| Range-30 Min. Res (N.Mi.) | | | |
| Seats Full | | | |
| Tanks Full | | | |
| Balanced Field Length (Ft.) | 2,450 | 5,300 | 1,880 |
| Landing Distance - FAR 121 | 3,050 | 4,175 | 2,600 |
| Rate Of Climb (Ft/Min) | 1,680 | 2,450 | 975 |
| - One Engine Out | | 740 | |
| Cruise Speed-Max (KTAS) | 270 | 289 | 186 |
| - Normal | 260 | 272 | 182 |
| - Long Range | 210 | 225 | 156 |
| Stall Speed (IAS) | 64 | 73 | |
| Ceiling-Service (Ft.) | 30,000 | 33,000 | 23,700 |
| - Service OEI | | 19,150 | |
| - Hover IGE | | | |
| - Hover OGE | | | |

Cost Of Ownership Analysis

| | | |
|--------------------|--------------------|-----------|
| For: | DOE NVO RSL N411DE | 12-Jun-00 |
| Aircraft: | Bell 412EP | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: N411DE Present Fleet - Costs Normalized

Life Cycle Cost 2000

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DOE NVO RSL N411DE

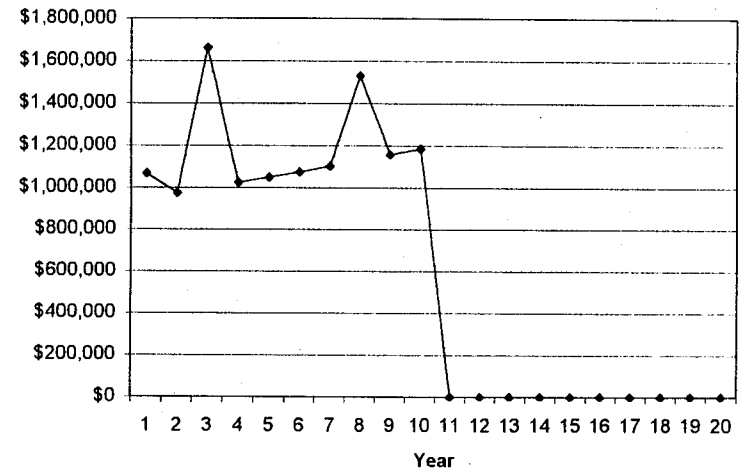
Type of Operation: Government

Make/Model: Used Bell 412EP Date: 12-Jun-00

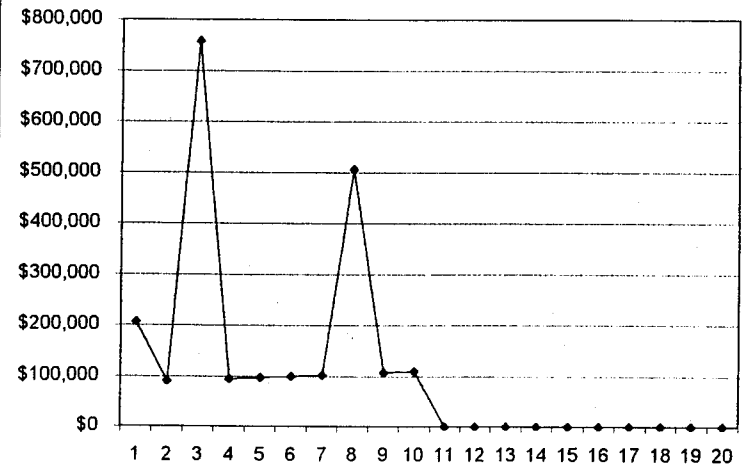
Program Length: 10 Years Acquisition: Purchase

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 218.2 | | Purchase Price | \$ 2,600,000 | |
| Cycles/Hour | 0.8 | | State Sales Tax: | \$ - | |
| Residual Value | 110 | % | Spares + Tooling: | \$ - | |
| MX Labor Rate | \$ 58.00 | /MH | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.37 | /GAL | Trade-in/Other: | \$ - | |
| | | | Total | \$ 2,600,000 | |
| Airframe Status: | | | | | |
| Total Hours | 3443 | | Lease/Finance Payments: | | |
| Total Years | 9 | | Finance Cost/Year | \$ - | |
| Total Cycles | 2755 | | Final Payment | \$ - | |
| | | | Lease Cost/Year | \$ - | |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 2,529,213 | \$ 252,921 | \$ 1,159 | \$ 8.78 |
| Total Fixed Cost | | \$ 2,922,850 | \$ 292,285 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 6,363,375 | \$ 636,338 | | |
| Total Cost: | | \$ 11,815,438 | \$ 1,181,544 | \$ 5,415 | \$ 41.02 |
| Annual Budget: | Year 1 | \$ 1,067,689 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 972,569 | Year 12 | \$ - | |
| | Year 3 | \$ 1,661,929 | Year 13 | \$ - | |
| | Year 4 | \$ 1,021,805 | Year 14 | \$ - | |
| | Year 5 | \$ 1,047,350 | Year 15 | \$ - | |
| | Year 6 | \$ 1,073,534 | Year 16 | \$ - | |
| | Year 7 | \$ 1,100,373 | Year 17 | \$ - | |
| | Year 8 | \$ 1,529,129 | Year 18 | \$ - | |
| | Year 9 | \$ 1,156,079 | Year 19 | \$ - | |
| | Year 10 | \$ 1,184,981 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

12-Jun-00

(Page 2)

DOE NVO RSL N411DE

Government

Make/Model:

Used

Bell 412EP

Acquisition:

Purchase

218.2 Hours/Year

Aircraft Value:

\$

Residual Value:

\$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 29,893 | \$ 30,641 | \$ 31,407 | \$ 32,192 | \$ 32,997 | \$ 33,822 | \$ 34,667 | \$ 35,534 | \$ 36,422 | \$ 37,333 | \$ 334,907 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 32,696 | \$ 33,612 | \$ 34,360 | \$ 35,209 | \$ 36,089 | \$ 36,991 | \$ 37,916 | \$ 38,864 | \$ 39,836 | \$ 40,832 | \$ 366,296 |
| Parts | | \$ 66,231 | \$ 66,612 | \$ 68,027 | \$ 69,478 | \$ 60,965 | \$ 62,489 | \$ 64,051 | \$ 65,652 | \$ 67,294 | \$ 68,976 | \$ 618,774 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ 118,841 | \$ - | \$ 666,046 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 783,887 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 131,353 | \$ - | \$ - | \$ 131,353 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 269,893 | \$ - | \$ - | \$ 269,893 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 144 | \$ 148 | \$ 161 | \$ 166 | \$ 169 | \$ 163 | \$ 167 | \$ 171 | \$ 175 | \$ 180 | \$ 1,613 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ 2,007 | \$ 2,058 | \$ 2,109 | \$ 2,162 | \$ 2,216 | \$ 2,271 | \$ 2,328 | \$ 2,386 | \$ 2,446 | \$ 2,507 | \$ 22,490 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 238,812 | \$ 122,970 | \$ 791,090 | \$ 129,196 | \$ 132,426 | \$ 136,736 | \$ 139,129 | \$ 643,864 | \$ 146,173 | \$ 149,827 | \$ 2,629,213 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 166,022 | \$ 170,173 | \$ 174,427 | \$ 178,788 | \$ 183,257 | \$ 187,839 | \$ 192,535 | \$ 197,348 | \$ 202,282 | \$ 207,339 | \$ 1,860,008 |
| Maintenance Technicians | | \$ 40,020 | \$ 41,021 | \$ 42,046 | \$ 43,097 | \$ 44,176 | \$ 45,279 | \$ 46,411 | \$ 47,571 | \$ 48,760 | \$ 49,979 | \$ 448,369 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,822 | \$ 27,492 | \$ 28,179 | \$ 28,884 | \$ 29,606 | \$ 30,346 | \$ 272,231 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 25,916 | \$ 26,664 | \$ 27,228 | \$ 27,909 | \$ 28,606 | \$ 29,322 | \$ 30,066 | \$ 30,806 | \$ 31,576 | \$ 32,366 | \$ 290,347 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 4,633 | \$ 4,749 | \$ 4,868 | \$ 4,989 | \$ 5,114 | \$ 5,242 | \$ 5,373 | \$ 5,507 | \$ 5,646 | \$ 5,786 | \$ 51,906 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 260,890 | \$ 267,412 | \$ 274,098 | \$ 280,950 | \$ 287,974 | \$ 295,173 | \$ 302,552 | \$ 310,116 | \$ 317,869 | \$ 325,816 | \$ 2,922,850 |

| | | | | | | | | | | | | |
|-------------------------------|--------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 68,809 | \$ 70,529 | \$ 72,292 | \$ 74,100 | \$ 75,952 | \$ 77,851 | \$ 79,797 | \$ 81,792 | \$ 83,837 | \$ 85,933 | \$ 88,080 | \$ 770,893 |
| Administrative Overhead (G&A) | \$ 499,178 | \$ 511,657 | \$ 524,449 | \$ 537,560 | \$ 550,999 | \$ 564,774 | \$ 578,893 | \$ 593,366 | \$ 608,200 | \$ 623,406 | \$ 638,981 | \$ 5,592,482 |
| Total Annual Cost | \$1,067,689 | \$ 972,569 | \$1,661,929 | \$1,021,806 | \$1,047,350 | \$1,073,534 | \$1,100,373 | \$1,129,129 | \$1,158,079 | \$1,187,191 | \$1,216,438 | \$11,815,438 |

Life Cycle Cost 2000

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 1.90 | MH/FH | Airframe: | \$ 149.08 | /FH |
| Engine: | 0.40 | | Engine: | \$ 16.15 | |
| Avionics: | 0.30 | | Avionics: | \$ 21.54 | |

| Guaranteed Maintenance Plane | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-----------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | 300 Hour | \$ 1,944 | | 300 | | 0.5 |
| | 2 | 600 Hour | \$ 4,604 | | 600 | | 1 |
| | 3 | 3000 Hour | \$ 1,023 | | 3000 | | 5 |
| | 4 | M/R Hub | \$ 2,251 | | 2500 | | |
| | 5 | Xmen/Mast | \$ 3,759 | | 3000 | | |
| One Time | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 1 | | | | | | |
| | 2 | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------------------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | Mast Ass'y | \$ 8,358 | | 5000 | | |
| | 2 | Swashplate | \$ 8,090 | | 2500 | | |
| | 3 | Scissors/Hub | \$ 11,096 | | 2500 | | |
| | 4 | Transmission | \$ 39,891 | | 5000 | | |
| | 5 | Shaft H'ger | \$ 2,450 | | 5000 | | |
| | 6 | Int G'box | \$ 11,045 | | 5000 | | |
| | 7 | T/R G'box | \$ 9,588 | | 5000 | | |
| | 8 | T/R Hub | \$ 2,445 | | 2500 | | |
| | 9 | Rotor Brake Quill | \$ 3,660 | | 5000 | | |
| | 10 | Hydr Act (3) | \$ 13,881 | | 2500 | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Yoke Assy | \$ 86,708 | | 5000 | | |
| 2 | Spindle | \$ 117,928 | | 10000 | | |
| 3 | Pitch Horn | \$ 16,820 | | 10000 | | |
| 4 | Retention Bolts & Fitting | \$ 25,908 | | 5000 | | |
| 5 | Damper Bridge 1 | \$ 9,096 | | 15000 | | |
| 6 | Damper Bridge 2 | \$ 7,564 | | 10000 | | |
| 7 | Pitch Link Tubes (4) | \$ 4,648 | | 5000 | | |
| 8 | Rod End B'ring (4) | \$ 10,060 | | 5000 | | |
| 9 | Swashplate Link | \$ 15,076 | | 5000 | | |
| 10 | Drive Hub Assy | \$ 5,286 | | 10000 | | |
| 11 | Rephasing Lever (2) | \$ 25,196 | | 5000 | | |
| 12 | Drive Link Assy | \$ 8,790 | | 5000 | | |
| 13 | Swashplate Outer | \$ 11,780 | | 10000 | | |
| 14 | Swashplate Support | \$ 9,796 | | 5000 | | |
| 15 | Gimbal Ring & Collectiv | \$ 6,192 | | 9000 | | |
| 16 | Collective Lever Assy | \$ 6,289 | | 10000 | | |
| 17 | M/R Mast | \$ 23,642 | | 10000 | | |
| 18 | Other 10000 Hr items | \$ 16,320 | | 10000 | | |
| 19 | Lower Cone Seat & Con | \$ 18,651 | | 10000 | | |
| 20 | T/R Drive Adapters (3) | \$ 6,272 | | 5000 | | |
| 21 | T/R Yoke & Blades | \$ 25,190 | | 5000 | | |
| 22 | Bracket Assy (2) | \$ 46,352 | | 10000 | | |
| 23 | Misc 5000 Hr items | \$ 9,408 | | 5000 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 Overhaul | \$ 242,000 | | 4000 | | |
| | 2 Comb Gearbox (1/2) | \$ 74,500 | | 4000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 Compressor Hub | \$ 22,406 | | | 36667 | |
| | 2 Comp Disk, 2nd Stage | \$ 6,521 | | | 29000 | |
| | 3 Comp Disk, 3d Stage | \$ 7,123 | | | 29000 | |
| | 4 Impeller | \$ 43,846 | | | 29000 | |
| | 5 PT Disk | \$ 26,313 | | | 14250 | |
| | 6 CT Disk | \$ 34,814 | | | 8000 | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Bell 412EP

Database Date:

Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|--------------------|-----------|
| For: | DOE NVO RSL N411DE | 12-Jun-00 |
| Aircraft: | Bell 412EP | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: N411DE Present Fleet Should Cost

Life Cycle Cost 2000

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DOE NVO RSL N411DE

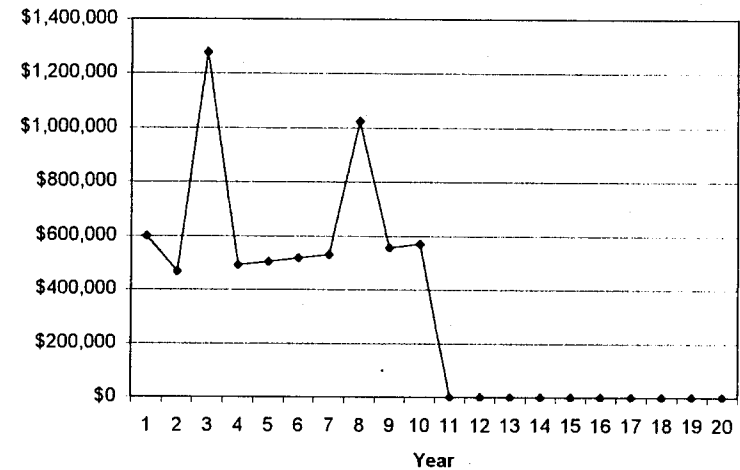
Type of Operation: Government

Make/Model: Used Bell 412EP Date: 12-Jun-00

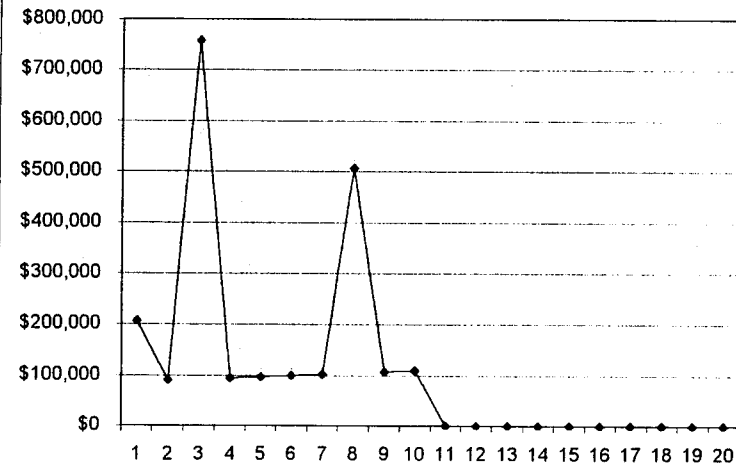
Program Length: 10 Years Acquisition: Purchase

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 218.2 | | Purchase Price | \$ | 2,600,000 |
| Cycles/Hour | 0.8 | | State Sales Tax: | \$ | - |
| Residual Value | 110 | % | Spares + Tooling: | \$ | - |
| MX Labor Rate | \$ 58.00 | /MH | Initial Training: | \$ | - |
| Fuel Cost | \$ 1.37 | /GAL | Trade-in/Other: | \$ | - |
| | | | Total | \$ | 2,600,000 |
| Airframe Status: | | | | | |
| Total Hours | 3443 | | Lease/Finance Payments: | | |
| Total Years | 9 | | Finance Cost/Year | \$ | - |
| Total Cycles | 2755 | | Final Payment | \$ | - |
| | | | Lease Cost/Year | \$ | - |
| Ave Inflation: | 2.50% | /Year | | | |
| | | | Insured Value: | \$ | - |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 2,529,213 | \$ 252,921 | \$ 1,159 | \$ 8.78 |
| | | | | | |
| Total Fixed Cost | | \$ 2,922,850 | \$ 292,285 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 1,090,413 | \$ 109,041 | | |
| | | | | | |
| Total Cost: | | \$ 6,542,476 | \$ 654,247 | \$ 2,998 | \$ 22.72 |
| Annual Budget: | Year 1 | \$ 599,642 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 468,459 | Year 12 | \$ - | |
| | Year 3 | \$ 1,278,225 | Year 13 | \$ - | |
| | Year 4 | \$ 492,175 | Year 14 | \$ - | |
| | Year 5 | \$ 504,479 | Year 15 | \$ - | |
| | Year 6 | \$ 517,091 | Year 16 | \$ - | |
| | Year 7 | \$ 530,018 | Year 17 | \$ - | |
| | Year 8 | \$ 1,024,765 | Year 18 | \$ - | |
| | Year 9 | \$ 556,850 | Year 19 | \$ - | |
| | Year 10 | \$ 570,772 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

12-Jun-00

(Page 2)

DOE NVO RSL N411DE

Government

Make/Model:

Used

Bell 412EP

Acquisition:

Purchase

218.2 Hours/Year

Aircraft Value:

\$

Residual Value:

\$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 29,893 | \$ 30,641 | \$ 31,407 | \$ 32,192 | \$ 32,997 | \$ 33,822 | \$ 34,667 | \$ 35,534 | \$ 36,422 | \$ 37,333 | \$ 334,907 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 32,695 | \$ 33,512 | \$ 34,350 | \$ 35,209 | \$ 36,089 | \$ 36,991 | \$ 37,916 | \$ 38,864 | \$ 39,836 | \$ 40,832 | \$ 366,296 |
| Parts | | \$ 55,231 | \$ 56,612 | \$ 58,027 | \$ 59,478 | \$ 60,966 | \$ 62,489 | \$ 64,051 | \$ 65,652 | \$ 67,294 | \$ 68,976 | \$ 618,774 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ 118,841 | \$ - | \$ 665,046 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 783,887 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 131,353 | \$ - | \$ - | \$ 131,353 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 269,893 | \$ - | \$ - | \$ 269,893 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 144 | \$ 148 | \$ 151 | \$ 155 | \$ 159 | \$ 163 | \$ 167 | \$ 171 | \$ 175 | \$ 180 | \$ 1,613 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ 2,007 | \$ 2,058 | \$ 2,109 | \$ 2,162 | \$ 2,216 | \$ 2,271 | \$ 2,328 | \$ 2,386 | \$ 2,446 | \$ 2,507 | \$ 22,490 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 238,812 | \$ 122,970 | \$ 791,090 | \$ 129,195 | \$ 132,425 | \$ 135,736 | \$ 139,129 | \$ 543,854 | \$ 146,173 | \$ 149,827 | \$ 2,529,213 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 166,022 | \$ 170,173 | \$ 174,427 | \$ 178,788 | \$ 183,257 | \$ 187,839 | \$ 192,535 | \$ 197,348 | \$ 202,282 | \$ 207,339 | \$ 1,860,008 |
| Maintenance Technicians | | \$ 40,020 | \$ 41,021 | \$ 42,046 | \$ 43,097 | \$ 44,175 | \$ 45,279 | \$ 46,411 | \$ 47,571 | \$ 48,760 | \$ 49,979 | \$ 448,359 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,822 | \$ 27,492 | \$ 28,179 | \$ 28,884 | \$ 29,606 | \$ 30,346 | \$ 272,231 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 25,916 | \$ 26,564 | \$ 27,228 | \$ 27,909 | \$ 28,606 | \$ 29,322 | \$ 30,065 | \$ 30,806 | \$ 31,576 | \$ 32,366 | \$ 290,347 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 4,633 | \$ 4,749 | \$ 4,868 | \$ 4,989 | \$ 5,114 | \$ 5,242 | \$ 5,373 | \$ 5,507 | \$ 5,645 | \$ 5,786 | \$ 51,906 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 260,890 | \$ 267,412 | \$ 274,098 | \$ 280,950 | \$ 287,974 | \$ 295,173 | \$ 302,552 | \$ 310,116 | \$ 317,869 | \$ 325,816 | \$ 2,922,850 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-----------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 49,970 | \$ 39,038 | \$ 106,519 | \$ 41,015 | \$ 42,040 | \$ 43,091 | \$ 44,168 | \$ 85,397 | \$ 46,404 | \$ 47,564 | \$ 47,564 | \$ 545,206 |
| Administrative Overhead (G&A) | \$ 49,970 | \$ 39,038 | \$ 106,519 | \$ 41,015 | \$ 42,040 | \$ 43,091 | \$ 44,168 | \$ 85,397 | \$ 46,404 | \$ 47,564 | \$ 47,564 | \$ 545,206 |
| Total Annual Cost | \$ 599,642 | \$ 468,459 | \$ 1,278,226 | \$ 492,176 | \$ 504,479 | \$ 517,091 | \$ 530,018 | \$ 1,024,765 | \$ 556,850 | \$ 570,772 | | \$ 6,542,476 |

Life Cycle Cost 2000

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|-------------------------|
| Airframe: | 1.90 | MH/FH | Airframe: \$ 149.08 /FH |
| Engine: | 0.40 | | Engine: \$ 16.15 |
| Avionics: | 0.30 | | Avionics: \$ 21.54 |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|-------------|--------------------|------------------|-----------|--------|-------|
| Name: | | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 300 Hour | \$ 1,944 | | 300 | | 0.5 |
| | 2 600 Hour | \$ 4,604 | | 600 | | 1 |
| | 3 3000 Hour | \$ 1,023 | | 3000 | | 5 |
| | 4 M/R Hub | \$ 2,251 | | 2500 | | |
| | 5 Xmsn/Mast | \$ 3,759 | | 3000 | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |
| | 11 | | | | | |
| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|---------------------|---------------|---------------|-----------|--------|-------|
| Name: | | (Current \$) | /1000 HR | Hours | Cycles | Years |
| | 1 Mast Ass'y | \$ 8,358 | | 5000 | | |
| | 2 Swashplate | \$ 8,090 | | 2500 | | |
| | 3 Scissors/Hub | \$ 11,096 | | 2500 | | |
| | 4 Transmission | \$ 39,891 | | 5000 | | |
| | 5 Shaft H'ger | \$ 2,450 | | 5000 | | |
| | 6 Int G'box | \$ 11,045 | | 5000 | | |
| | 7 T/R G'box | \$ 9,588 | | 5000 | | |
| | 8 T/R Hub | \$ 2,445 | | 2500 | | |
| | 9 Rotor Brake Quill | \$ 3,660 | | 5000 | | |
| | 10 Hydr Act (3) | \$ 13,881 | | 2500 | | |
| | 11 | | | | | |
| | 12 | | | | | |
| | 13 | | | | | |
| | 14 | | | | | |
| | 15 | | | | | |
| | 16 | | | | | |
| | 17 | | | | | |
| | 18 | | | | | |
| | 19 | | | | | |
| | 20 | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Yoke Assy | \$ 86,708 | | 5000 | | |
| 2 | Spindle | \$ 117,928 | | 10000 | | |
| 3 | Pitch Horn | \$ 16,820 | | 10000 | | |
| 4 | Retention Bolts & Fitting | \$ 25,908 | | 5000 | | |
| 5 | Damper Bridge 1 | \$ 9,096 | | 15000 | | |
| 6 | Damper Bridge 2 | \$ 7,564 | | 10000 | | |
| 7 | Pitch Link Tubes (4) | \$ 4,648 | | 5000 | | |
| 8 | Rod End B'ring (4) | \$ 10,060 | | 5000 | | |
| 9 | Swashplate Link | \$ 15,076 | | 5000 | | |
| 10 | Drive Hub Assy | \$ 5,286 | | 10000 | | |
| 11 | Rephasing Lever (2) | \$ 25,196 | | 5000 | | |
| 12 | Drive Link Assy | \$ 8,790 | | 5000 | | |
| 13 | Swashplate Outer | \$ 11,780 | | 10000 | | |
| 14 | Swashplate Support | \$ 9,796 | | 5000 | | |
| 15 | Gimbal Ring & Collectiv | \$ 6,192 | | 9000 | | |
| 16 | Collective Lever Assy | \$ 6,289 | | 10000 | | |
| 17 | M/R Mast | \$ 23,642 | | 10000 | | |
| 18 | Other 10000 Hr items | \$ 16,320 | | 10000 | | |
| 19 | Lower Cone Seat & Con | \$ 18,651 | | 10000 | | |
| 20 | T/R Drive Adapters (3) | \$ 6,272 | | 5000 | | |
| 21 | T/R Yoke & Blades | \$ 25,190 | | 5000 | | |
| 22 | Bracket Assy (2) | \$ 46,352 | | 10000 | | |
| 23 | Misc 5000 Hr items | \$ 9,408 | | 5000 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 Overhaul | \$ 242,000 | | 4000 | | |
| | 2 Comb Gearbox (1/2) | \$ 74,500 | | 4000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 Compressor Hub | \$ 22,406 | | | 36667 | |
| | 2 Comp Disk, 2nd Stage | \$ 6,521 | | | 29000 | |
| | 3 Comp Disk, 3d Stage | \$ 7,123 | | | 29000 | |
| | 4 Impeller | \$ 43,846 | | | 29000 | |
| | 5 PT Disk | \$ 26,313 | | | 14250 | |
| | 6 CT Disk | \$ 34,814 | | | 8000 | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Bell 412EP

Database Date:

Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|--------------------|-----------|
| For: | DOE NVO RSL N411DE | 13-Jun-00 |
| Aircraft: | Bell 412EP | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: N411DE Future Fleet GOCO
Ops. O/H & G&A at 25% of labor and benefits

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE NVO RSL N411DE

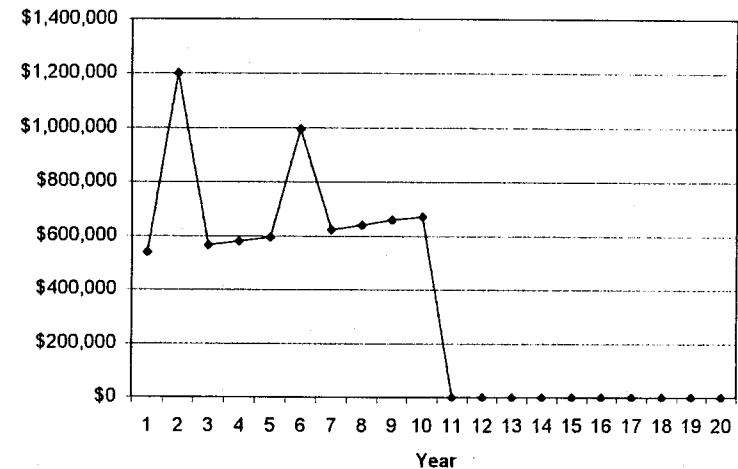
Type of Operation: Government

Make/Model: Used Bell 412EP Date: 13-Jun-00

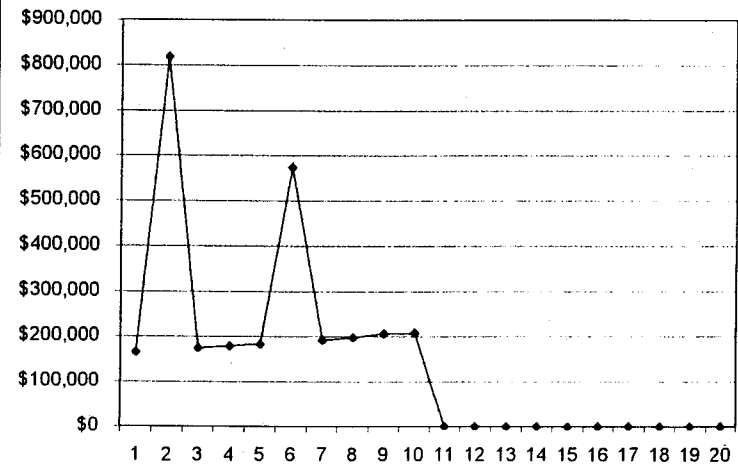
Program Length: 10 Years Acquisition: Purchase

| Program Data: | | Acquisition Cost + Sales Tax: | | | |
|-------------------------------|--------------|-------------------------------|------------|-----------|--------------|
| Hrs/Year | 300 | Purchase Price | \$ | 2,600,000 | |
| Cycles/Hour | 0.8 | State Sales Tax: | \$ | - | |
| Residual Value | 110 % | Spares + Tooling: | \$ | - | |
| MX Labor Rate | \$ 58.00 /MH | Initial Training: | \$ | - | |
| Fuel Cost | \$ 1.50 /GAL | Trade-in/Other: | \$ | - | |
| | | Total | \$ | 2,600,000 | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 3443 | Finance Cost/Year | \$ | - | |
| Total Years | 9 | Final Payment | \$ | - | |
| Total Cycles | 2755 | Lease Cost/Year | \$ | - | |
| Ave Inflation: | 2.50% /Year | Insured Value: | \$ | - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 3,402,889 | \$ 340,289 | \$ 1,134 | \$ 8.59 |
| Total Fixed Cost | | \$ 2,644,726 | \$ 264,473 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,021,043 | \$ 102,104 | | |
| Total Cost: | | \$ 7,068,658 | \$ 706,866 | \$ 2,356 | \$ 17.85 |
| Annual Budget: | Year 1 | \$ 539,130 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 1,200,384 | Year 12 | \$ - | |
| | Year 3 | \$ 565,348 | Year 13 | \$ - | |
| | Year 4 | \$ 579,482 | Year 14 | \$ - | |
| | Year 5 | \$ 593,969 | Year 15 | \$ - | |
| | Year 6 | \$ 994,435 | Year 16 | \$ - | |
| | Year 7 | \$ 624,039 | Year 17 | \$ - | |
| | Year 8 | \$ 639,640 | Year 18 | \$ - | |
| | Year 9 | \$ 660,211 | Year 19 | \$ - | |
| | Year 10 | \$ 672,021 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

13-Jun-00

(Page 2)

DOE NVO RSL N411DE

Government

Make/Model: Used Bell 412EP Acquisition: Purchase 300 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 45,000 | \$ 46,125 | \$ 47,278 | \$ 48,460 | \$ 49,672 | \$ 50,913 | \$ 52,186 | \$ 53,491 | \$ 54,828 | \$ 56,199 | \$ 504,152 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 98,235 | \$ 100,691 | \$ 103,208 | \$ 105,788 | \$ 108,433 | \$ 111,144 | \$ 113,922 | \$ 116,771 | \$ 119,690 | \$ 122,682 | \$ 1,100,564 |
| Parts | | \$ 59,607 | \$ 61,097 | \$ 62,625 | \$ 64,190 | \$ 65,795 | \$ 67,440 | \$ 69,126 | \$ 70,854 | \$ 72,625 | \$ 74,441 | \$ 687,800 |
| Inspections | | \$ 7,571 | \$ 6,711 | \$ 6,879 | \$ 7,051 | \$ 7,227 | \$ 7,403 | \$ 7,583 | \$ 7,763 | \$ 7,943 | \$ 8,123 | \$ 82,662 |
| Engine Restoral | | \$ - | \$ 648,825 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 648,825 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 125,024 | \$ - | \$ - | \$ - | \$ - | \$ 125,024 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 256,888 | \$ - | \$ - | \$ - | \$ - | \$ 256,888 |
| Flight Hour Cost | | \$ 1,515 | \$ 1,553 | \$ 1,592 | \$ 1,631 | \$ 1,672 | \$ 1,714 | \$ 1,757 | \$ 1,801 | \$ 1,846 | \$ 1,892 | \$ 16,973 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 211,928 | \$ 865,002 | \$ 221,582 | \$ 227,121 | \$ 232,799 | \$ 624,235 | \$ 244,585 | \$ 250,899 | \$ 261,547 | \$ 263,391 | \$ 3,402,889 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 98,288 | \$ 100,745 | \$ 103,264 | \$ 105,845 | \$ 108,492 | \$ 111,204 | \$ 113,984 | \$ 116,834 | \$ 119,754 | \$ 122,748 | \$ 1,101,158 |
| Maintenance Technicians | | \$ 62,072 | \$ 63,624 | \$ 65,214 | \$ 66,845 | \$ 68,516 | \$ 70,229 | \$ 71,984 | \$ 73,784 | \$ 75,629 | \$ 77,519 | \$ 695,416 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 40,090 | \$ 41,092 | \$ 42,120 | \$ 43,173 | \$ 44,252 | \$ 45,358 | \$ 46,492 | \$ 47,654 | \$ 48,846 | \$ 50,067 | \$ 449,144 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 9,750 | \$ 9,994 | \$ 10,244 | \$ 10,500 | \$ 10,762 | \$ 11,031 | \$ 11,307 | \$ 11,590 | \$ 11,879 | \$ 12,176 | \$ 109,233 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 25,000 | \$ 25,625 | \$ 26,266 | \$ 26,922 | \$ 27,595 | \$ 28,286 | \$ 28,992 | \$ 29,717 | \$ 30,460 | \$ 31,222 | \$ 280,085 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 865 | \$ 887 | \$ 909 | \$ 932 | \$ 955 | \$ 979 | \$ 1,003 | \$ 1,028 | \$ 1,054 | \$ 1,080 | \$ 9,691 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 238,065 | \$ 241,967 | \$ 248,016 | \$ 254,216 | \$ 260,572 | \$ 267,086 | \$ 273,763 | \$ 280,607 | \$ 287,622 | \$ 294,813 | \$ 2,644,726 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 65,864 | \$ 67,511 | \$ 69,198 | \$ 70,928 | \$ 72,702 | \$ 74,519 | \$ 76,382 | \$ 78,292 | \$ 80,249 | \$ 82,255 | \$ 84,311 | \$ 737,900 |
| Administrative Overhead (G&A) | \$ 25,273 | \$ 25,905 | \$ 26,552 | \$ 27,216 | \$ 27,897 | \$ 28,594 | \$ 29,309 | \$ 30,042 | \$ 30,793 | \$ 31,563 | \$ 32,343 | \$ 283,143 |
| Total Annual Cost | \$ 539,130 | \$ 1,200,384 | \$ 565,348 | \$ 579,482 | \$ 593,969 | \$ 994,435 | \$ 624,039 | \$ 639,640 | \$ 660,211 | \$ 672,021 | \$ 683,833 | \$ 7,068,657 |

Life Cycle Cost 2000

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 1.90 | MH/FH | Airframe: | \$ 149.08 | /FH |
| Engine: | 0.40 | | Engine: | \$ 16.15 | |
| Avionics: | 0.30 | | Avionics: | \$ 21.54 | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | | Inspection Cycle | | Frequency | |
|-------------|-------------|--------------------|--|------------------|-------|-----------|-------|
| | Name: | Total (Current \$) | | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 300 Hour | \$ 1,944 | | | 300 | | 0.5 |
| | 2 600 Hour | \$ 4,604 | | | 600 | | 1 |
| | 3 3000 Hour | \$ 1,023 | | | 3000 | | 5 |
| | 4 M/R Hub | \$ 2,251 | | | 2500 | | |
| | 5 Xmsn/Mast | \$ 3,759 | | | 3000 | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Overhaul Cost | | Prem Removals | | Frequency | |
|--------------------|-------------------|---------------|--|---------------|-------|-----------|-------|
| | Name: | (Current \$) | | /1000 HR | Hours | Cycles | Years |
| 1 | Mast Ass'y | \$ 8,358 | | | 5000 | | |
| 2 | Swashplate | \$ 8,090 | | | 2500 | | |
| 3 | Scissors/Hub | \$ 11,096 | | | 2500 | | |
| 4 | Transmission | \$ 39,891 | | | 5000 | | |
| 5 | Shaft H'ger | \$ 2,450 | | | 5000 | | |
| 6 | Int G'box | \$ 11,045 | | | 5000 | | |
| 7 | T/R G'box | \$ 9,588 | | | 5000 | | |
| 8 | T/R Hub | \$ 2,445 | | | 2500 | | |
| 9 | Rotor Brake Quill | \$ 3,660 | | | 5000 | | |
| 10 | Hydr Act (3) | \$ 13,881 | | | 2500 | | |
| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | | | | | | | |
| 15 | | | | | | | |
| 16 | | | | | | | |
| 17 | | | | | | | |
| 18 | | | | | | | |
| 19 | | | | | | | |
| 20 | | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Yoke Assy | \$ 86,708 | | 5000 | | |
| 2 | Spindle | \$ 117,928 | | 10000 | | |
| 3 | Pitch Horn | \$ 16,820 | | 10000 | | |
| 4 | Retention Bolts & Fitting | \$ 25,908 | | 5000 | | |
| 5 | Damper Bridge 1 | \$ 9,096 | | 15000 | | |
| 6 | Damper Bridge 2 | \$ 7,564 | | 10000 | | |
| 7 | Pitch Link Tubes (4) | \$ 4,648 | | 5000 | | |
| 8 | Rod End B'ring (4) | \$ 10,060 | | 5000 | | |
| 9 | Swashplate Link | \$ 15,076 | | 5000 | | |
| 10 | Drive Hub Assy | \$ 5,286 | | 10000 | | |
| 11 | Rephasing Lever (2) | \$ 25,196 | | 5000 | | |
| 12 | Drive Link Assy | \$ 8,790 | | 5000 | | |
| 13 | Swashplate Outer | \$ 11,780 | | 10000 | | |
| 14 | Swashplate Support | \$ 9,796 | | 5000 | | |
| 15 | Gimbal Ring & Collectiv | \$ 6,192 | | 9000 | | |
| 16 | Collective Lever Assy | \$ 6,289 | | 10000 | | |
| 17 | M/R Mast | \$ 23,642 | | 10000 | | |
| 18 | Other 10000 Hr items | \$ 16,320 | | 10000 | | |
| 19 | Lower Cone Seat & Con | \$ 18,651 | | 10000 | | |
| 20 | T/R Drive Adapters (3) | \$ 6,272 | | 5000 | | |
| 21 | T/R Yoke & Blades | \$ 25,190 | | 5000 | | |
| 22 | Bracket Assy (2) | \$ 46,352 | | 10000 | | |
| 23 | Misc 5000 Hr items | \$ 9,408 | | 5000 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 Overhaul | \$ 242,000 | | 4000 | | |
| | 2 Comb Gearbox (1/2) | \$ 74,500 | | 4000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 Compressor Hub | \$ 22,406 | | | 36667 | |
| | 2 Comp Disk, 2nd Stage | \$ 6,521 | | | 29000 | |
| | 3 Comp Disk, 3d Stage | \$ 7,123 | | | 29000 | |
| | 4 Impeller | \$ 43,846 | | | 29000 | |
| | 5 PT Disk | \$ 26,313 | | | 14250 | |
| | 6 CT Disk | \$ 34,814 | | | 8000 | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Bell 412EP

Database Date:

Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|--------------------|-----------|
| For: | DOE NVO RSL N411DE | 13-Jun-00 |
| Aircraft: | Bell 412EP | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: N411DE Future Fleet GOGO
G&A at 12% of labor and ben., Fed. ben. At 30%

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE NVO RSL N411DE

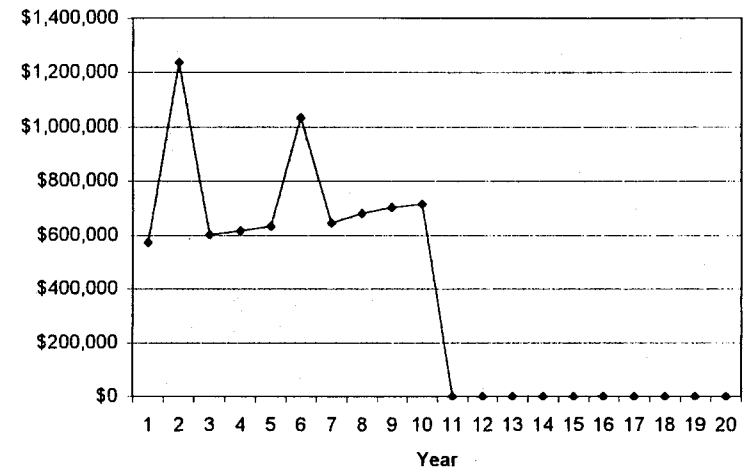
Type of Operation: Government

Make/Model: Used Bell 412EP Date: 13-Jun-00

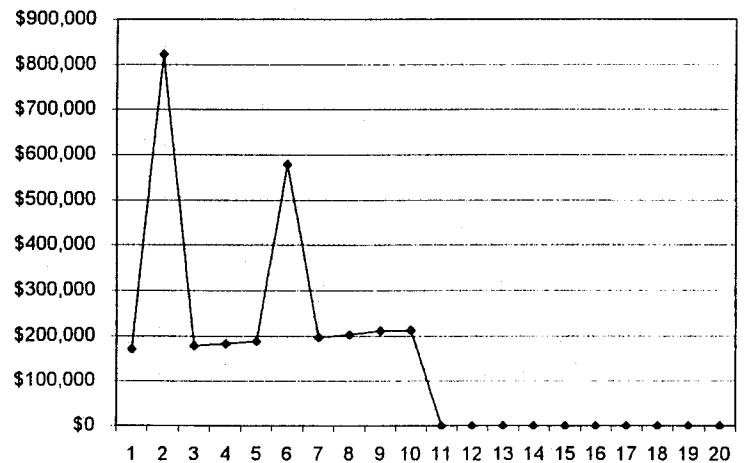
Program Length: 10 Years Acquisition: Purchase

| Program Data: | | Acquisition Cost + Sales Tax: | | | |
|-------------------------------|--------------|-------------------------------|--------------|-----------|--------------|
| Hrs/Year | 300 | Purchase Price | \$ 2,600,000 | | |
| Cycles/Hour | 0.8 | State Sales Tax: | \$ - | | |
| Residual Value | 110 % | Spares + Tooling: | \$ - | | |
| MX Labor Rate | \$ 58.00 /MH | Initial Training: | \$ - | | |
| Fuel Cost | \$ 1.50 /GAL | Trade-in/Other: | \$ - | | |
| | | Total | \$ 2,600,000 | | |
| Airframe Status: | | | | | |
| Total Hours | 3443 | Lease/Finance Payments: | | | |
| Total Years | 9 | Finance Cost/Year | \$ - | | |
| Total Cycles | 2755 | Final Payment | \$ - | | |
| | | Lease Cost/Year | \$ - | | |
| Ave Inflation: | 2.50% /Year | Insured Value: | \$ - | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 3,446,907 | \$ 344,691 | \$ 1,149 | \$ 8.70 |
| Total Fixed Cost | | \$ 2,734,555 | \$ 273,456 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,277,118 | \$ 127,712 | | |
| Total Cost: | | \$ 7,458,580 | \$ 745,859 | \$ 2,486 | \$ 18.83 |
| Annual Budget: | Year 1 | \$ 573,934 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 1,236,058 | Year 12 | \$ - | |
| | Year 3 | \$ 601,914 | Year 13 | \$ - | |
| | Year 4 | \$ 616,962 | Year 14 | \$ - | |
| | Year 5 | \$ 632,386 | Year 15 | \$ - | |
| | Year 6 | \$ 1,033,812 | Year 16 | \$ - | |
| | Year 7 | \$ 644,401 | Year 17 | \$ - | |
| | Year 8 | \$ 681,011 | Year 18 | \$ - | |
| | Year 9 | \$ 702,616 | Year 19 | \$ - | |
| | Year 10 | \$ 715,487 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

13-Jun-00

(Page 2)

DOE NVO RSL N411DE

Government

Make/Model:

Used

Bell 412EP

Acquisition: Purchase

300 Hours/Year

Aircraft Value:

\$

Residual Value:

\$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|---------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | \$ | 46,000 | \$ 46,126 | \$ 47,278 | \$ 48,460 | \$ 49,672 | \$ 50,913 | \$ 52,186 | \$ 53,491 | \$ 54,828 | \$ 56,199 | \$ 604,162 |
| Fuel Additives | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | \$ | 102,164 | \$ 104,718 | \$ 107,336 | \$ 110,019 | \$ 112,770 | \$ 115,589 | \$ 118,479 | \$ 121,441 | \$ 124,477 | \$ 127,589 | \$ 1,144,582 |
| Parts | \$ | 59,607 | \$ 61,097 | \$ 62,626 | \$ 64,190 | \$ 65,795 | \$ 67,440 | \$ 69,126 | \$ 70,854 | \$ 72,626 | \$ 74,441 | \$ 667,800 |
| Inspections | \$ | 7,671 | \$ 6,711 | \$ 6,879 | \$ 7,061 | \$ 7,227 | \$ 11,112 | \$ 7,593 | \$ 7,783 | \$ 12,568 | \$ 8,177 | \$ 82,682 |
| Engine Restoral | \$ | - | \$ 648,826 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 648,826 |
| Engine Guaranteed Mx Plan | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ 125,024 | \$ - | \$ - | \$ - | \$ - | \$ 125,024 |
| Life Limited Components (All) | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ 256,888 | \$ - | \$ - | \$ - | \$ - | \$ 256,888 |
| Other Services | | | | | | | | | | | | \$ - |
| Flight Hour Cost | \$ | 1,515 | \$ 1,553 | \$ 1,592 | \$ 1,631 | \$ 1,672 | \$ 1,714 | \$ 1,757 | \$ 1,801 | \$ 1,846 | \$ 1,892 | \$ 16,973 |
| Fixed Cost | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Small Supplies | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | \$ | 215,857 | \$ 869,029 | \$ 225,709 | \$ 231,352 | \$ 237,136 | \$ 628,681 | \$ 249,141 | \$ 255,370 | \$ 266,334 | \$ 268,298 | \$ 3,446,907 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|---------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | \$ | 98,288 | \$ 100,745 | \$ 103,264 | \$ 105,845 | \$ 108,492 | \$ 111,204 | \$ 113,984 | \$ 116,834 | \$ 119,754 | \$ 122,748 | \$ 1,101,168 |
| Maintenance Technicians | \$ | 62,072 | \$ 63,624 | \$ 65,214 | \$ 66,845 | \$ 68,516 | \$ 70,229 | \$ 71,984 | \$ 73,784 | \$ 75,629 | \$ 77,519 | \$ 695,416 |
| Other | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | \$ | 48,108 | \$ 49,311 | \$ 50,543 | \$ 51,807 | \$ 53,102 | \$ 54,430 | \$ 55,791 | \$ 57,185 | \$ 58,615 | \$ 60,080 | \$ 538,972 |
| Hangar | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | \$ - |
| Hull | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | \$ | 9,750 | \$ 9,994 | \$ 10,244 | \$ 10,500 | \$ 10,782 | \$ 11,031 | \$ 11,307 | \$ 11,590 | \$ 11,879 | \$ 12,176 | \$ 109,233 |
| Miscellaneous | | | | | | | | | | | | \$ - |
| Training Pilot/Maint | \$ | 25,000 | \$ 25,625 | \$ 26,266 | \$ 26,922 | \$ 27,595 | \$ 28,285 | \$ 28,992 | \$ 29,717 | \$ 30,460 | \$ 31,222 | \$ 280,085 |
| Management Fee | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | \$ | 865 | \$ 887 | \$ 909 | \$ 932 | \$ 955 | \$ 979 | \$ 1,003 | \$ 1,028 | \$ 1,054 | \$ 1,080 | \$ 9,691 |
| Comp Maint Service | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | \$ | 244,083 | \$ 250,185 | \$ 256,440 | \$ 262,851 | \$ 269,422 | \$ 276,158 | \$ 283,061 | \$ 290,138 | \$ 297,391 | \$ 304,826 | \$ 2,734,555 |

| | | | | | | | | | | | | |
|-------------------------------|----|---------|--------------|------------|------------|------------|--------------|------------|------------|------------|------------|--------------|
| Finance/Lease Cost | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ | 68,498 | \$ 70,210 | \$ 71,966 | \$ 73,765 | \$ 75,609 | \$ 77,499 | \$ 79,437 | \$ 81,423 | \$ 83,458 | \$ 85,545 | \$ 787,409 |
| Administrative Overhead (G&A) | \$ | 45,496 | \$ 46,633 | \$ 47,799 | \$ 48,994 | \$ 50,219 | \$ 51,475 | \$ 52,761 | \$ 54,080 | \$ 55,432 | \$ 56,818 | \$ 509,709 |
| Total Annual Cost | \$ | 573,934 | \$ 1,236,058 | \$ 601,914 | \$ 616,962 | \$ 632,386 | \$ 1,033,812 | \$ 664,401 | \$ 681,011 | \$ 702,616 | \$ 715,487 | \$ 7,458,580 |

Life Cycle Cost 2000

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|---------------|
| Airframe: | 1.90 | Airframe: | \$ 149.08 /FH |
| Engine: | 0.40 | Engine: | \$ 16.15 |
| Avionics: | 0.30 | Avionics: | \$ 21.54 |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|-------------|--------------------|------------------|-----------|--------|-------|
| Name: | | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 300 Hour | \$ 1,944 | | 300 | | 0.5 |
| | 2 600 Hour | \$ 4,604 | | 600 | | 1 |
| | 3 3000 Hour | \$ 1,023 | | 3000 | | 5 |
| | 4 M/R Hub | \$ 2,251 | | 2500 | | |
| | 5 Xmen/Mast | \$ 3,759 | | 3000 | | |
| One Time | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |
| | 11 | | | | | |
| | 12 | | | | | |
| | 1 | | | | | |
| | 2 | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|-------------------|---------------|---------------|-----------|--------|-------|
| Name: | | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Mast Ass'y | \$ 8,358 | | 5000 | | |
| 2 | Swashplate | \$ 8,090 | | 2500 | | |
| 3 | Scissors/Hub | \$ 11,096 | | 2500 | | |
| 4 | Transmission | \$ 39,891 | | 5000 | | |
| 5 | Shaft H'ger | \$ 2,450 | | 5000 | | |
| 6 | Int G'box | \$ 11,045 | | 5000 | | |
| 7 | T/R G'box | \$ 9,588 | | 5000 | | |
| 8 | T/R Hub | \$ 2,445 | | 2500 | | |
| 9 | Rotor Brake Quill | \$ 3,660 | | 5000 | | |
| 10 | Hydr Act (3) | \$ 13,881 | | 2500 | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Yoke Assy | \$ 86,708 | | 5000 | | |
| 2 | Spindle | \$ 117,928 | | 10000 | | |
| 3 | Pitch Horn | \$ 16,820 | | 10000 | | |
| 4 | Retention Bolts & Fitting | \$ 25,908 | | 5000 | | |
| 5 | Damper Bridge 1 | \$ 9,096 | | 15000 | | |
| 6 | Damper Bridge 2 | \$ 7,564 | | 10000 | | |
| 7 | Pitch Link Tubes (4) | \$ 4,648 | | 5000 | | |
| 8 | Rod End B'ring (4) | \$ 10,060 | | 5000 | | |
| 9 | Swashplate Link | \$ 15,076 | | 5000 | | |
| 10 | Drive Hub Assy | \$ 5,286 | | 10000 | | |
| 11 | Rephasing Lever (2) | \$ 25,196 | | 5000 | | |
| 12 | Drive Link Assy | \$ 8,790 | | 5000 | | |
| 13 | Swashplate Outer | \$ 11,780 | | 10000 | | |
| 14 | Swashplate Support | \$ 9,796 | | 5000 | | |
| 15 | Gimbal Ring & Collectiv | \$ 6,192 | | 9000 | | |
| 16 | Collective Lever Assy | \$ 6,289 | | 10000 | | |
| 17 | M/R Mast | \$ 23,642 | | 10000 | | |
| 18 | Other 10000 Hr items | \$ 16,320 | | 10000 | | |
| 19 | Lower Cone Seat & Con | \$ 18,651 | | 10000 | | |
| 20 | T/R Drive Adapters (3) | \$ 6,272 | | 5000 | | |
| 21 | T/R Yoke & Blades | \$ 25,190 | | 5000 | | |
| 22 | Bracket Assy (2) | \$ 46,352 | | 10000 | | |
| 23 | Misc 5000 Hr items | \$ 9,408 | | 5000 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 Overhaul | \$ 242,000 | | 4000 | | |
| | 2 Comb Gearbox (1/2) | \$ 74,500 | | 4000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 Compressor Hub | \$ 22,406 | | | 36667 | |
| | 2 Comp Disk, 2nd Stage | \$ 6,521 | | | 29000 | |
| | 3 Comp Disk, 3d Stage | \$ 7,123 | | | 29000 | |
| | 4 Impeller | \$ 43,846 | | | 29000 | |
| | 5 PT Disk | \$ 26,313 | | | 14250 | |
| | 6 CT Disk | \$ 34,814 | | | 8000 | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|--------------------|-----------|
| For: | DOE NVO RSL N412DE | 12-Jun-00 |
| Aircraft: | Bell 412EP | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: N412DE Present Fleet - Costs Normalized

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE NVO RSL N412DE

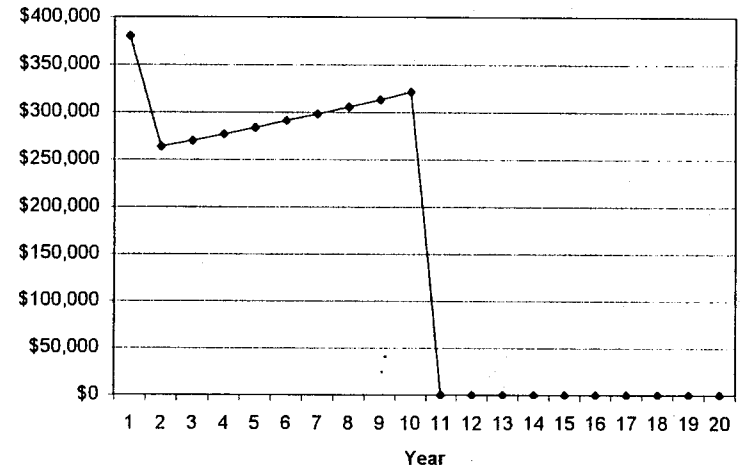
Type of Operation: Government

Make/Model: Used Bell 412EP Date: 12-Jun-00

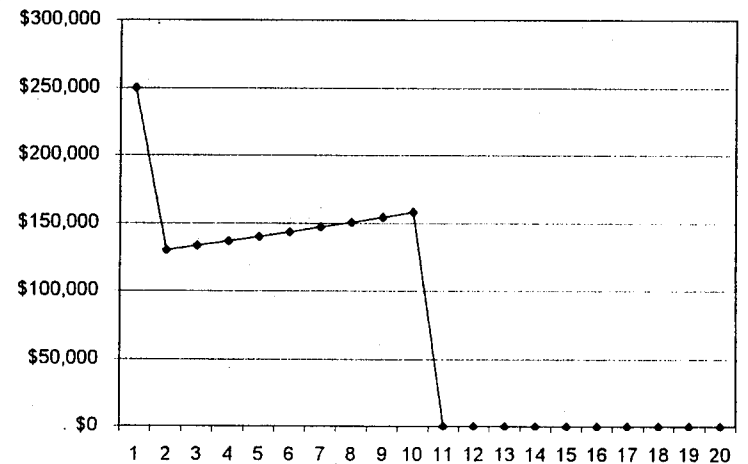
Program Length: 10 Years Acquisition: Purchase

| Program Data: | | | Acquisition Cost + Sales Tax: | | |
|-------------------------------|----------|---------------|-------------------------------|--------------|--------------|
| Hrs/Year | 25.2 | | Purchase Price | \$ 2,600,000 | |
| Cycles/Hour | 0.81 | | State Sales Tax: | \$ - | |
| Residual Value | 110 | % | Spares + Tooling: | \$ - | |
| MX Labor Rate | \$ 58.00 | /MH | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.37 | /GAL | Trade-in/Other: | \$ - | |
| | | | Total | \$ 2,600,000 | |
| Airframe Status: | | | | | |
| Total Hours | 2556.9 | | Lease/Finance Payments: | | |
| Total Years | 9 | | Finance Cost/Year | \$ - | |
| Total Cycles | 2075 | | Final Payment | \$ - | |
| | | | Lease Cost/Year | \$ - | |
| Ave Inflation: | 2.50% | /Year | | | |
| | | | Insured Value: | \$ - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 1,581,716 | \$ 158,172 | \$ 6,277 | \$ 47.55 |
| | | | | | |
| Total Fixed Cost | | \$ 688,414 | \$ 68,841 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 734,359 | \$ 73,436 | | |
| | | | | | |
| Total Cost: | | \$ 3,004,489 | \$ 300,449 | \$ 11,923 | \$ 90.32 |
| Annual Budget: | Year 1 | \$ 380,343 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 263,614 | Year 12 | \$ - | |
| | Year 3 | \$ 270,204 | Year 13 | \$ - | |
| | Year 4 | \$ 276,959 | Year 14 | \$ - | |
| | Year 5 | \$ 283,883 | Year 15 | \$ - | |
| | Year 6 | \$ 290,980 | Year 16 | \$ - | |
| | Year 7 | \$ 298,255 | Year 17 | \$ - | |
| | Year 8 | \$ 305,711 | Year 18 | \$ - | |
| | Year 9 | \$ 313,354 | Year 19 | \$ - | |
| | Year 10 | \$ 321,188 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

12-Jun-00

(Page 2)

DOE NVO RSL N412DE

Government

Make/Model: Used **Bell 412EP** Acquisition: Purchase 25.2 Hours/Year

Aircraft Value: \$ Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 3,452 | \$ 3,539 | \$ 3,627 | \$ 3,718 | \$ 3,811 | \$ 3,906 | \$ 4,004 | \$ 4,104 | \$ 4,206 | \$ 4,312 | \$ 38,679 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 62,089 | \$ 63,641 | \$ 65,232 | \$ 66,863 | \$ 68,535 | \$ 70,248 | \$ 72,004 | \$ 73,804 | \$ 75,649 | \$ 77,541 | \$ 695,607 |
| Parts | | \$ 64,385 | \$ 65,995 | \$ 67,644 | \$ 69,336 | \$ 71,069 | \$ 72,846 | \$ 74,667 | \$ 76,534 | \$ 78,447 | \$ 80,408 | \$ 721,330 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ 123,159 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 123,159 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 75 | \$ 76 | \$ 78 | \$ 80 | \$ 82 | \$ 84 | \$ 87 | \$ 89 | \$ 91 | \$ 93 | \$ 836 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ 188 | \$ 193 | \$ 198 | \$ 202 | \$ 208 | \$ 213 | \$ 218 | \$ 223 | \$ 229 | \$ 235 | \$ 2,106 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 253,348 | \$ 133,444 | \$ 136,780 | \$ 140,199 | \$ 143,704 | \$ 147,297 | \$ 150,979 | \$ 154,754 | \$ 158,623 | \$ 162,588 | \$ 1,581,716 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 28,467 | \$ 29,179 | \$ 29,908 | \$ 30,656 | \$ 31,422 | \$ 32,208 | \$ 33,013 | \$ 33,838 | \$ 34,684 | \$ 35,551 | \$ 318,927 |
| Maintenance Technicians | | \$ 4,618 | \$ 4,733 | \$ 4,852 | \$ 4,973 | \$ 5,097 | \$ 5,225 | \$ 5,355 | \$ 5,489 | \$ 5,627 | \$ 5,767 | \$ 51,737 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 2,804 | \$ 2,874 | \$ 2,946 | \$ 3,020 | \$ 3,095 | \$ 3,172 | \$ 3,252 | \$ 3,333 | \$ 3,416 | \$ 3,502 | \$ 31,414 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 25,023 | \$ 25,649 | \$ 26,290 | \$ 26,947 | \$ 27,621 | \$ 28,311 | \$ 29,019 | \$ 29,744 | \$ 30,488 | \$ 31,250 | \$ 280,342 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 535 | \$ 548 | \$ 562 | \$ 576 | \$ 591 | \$ 605 | \$ 620 | \$ 636 | \$ 652 | \$ 668 | \$ 5,994 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 61,447 | \$ 62,983 | \$ 64,558 | \$ 66,172 | \$ 67,826 | \$ 69,522 | \$ 71,260 | \$ 73,041 | \$ 74,867 | \$ 76,739 | \$ 688,414 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 7,941 | \$ 8,140 | \$ 8,343 | \$ 8,552 | \$ 8,765 | \$ 8,985 | \$ 9,209 | \$ 9,439 | \$ 9,675 | \$ 9,917 | \$ 88,966 | \$ 88,966 |
| Administrative Overhead (G&A) | \$ 57,607 | \$ 59,047 | \$ 60,523 | \$ 62,036 | \$ 63,587 | \$ 65,177 | \$ 66,806 | \$ 68,477 | \$ 70,189 | \$ 71,943 | \$ 645,393 | \$ 645,393 |
| Total Annual Cost | \$ 380,343 | \$ 263,614 | \$ 270,204 | \$ 276,959 | \$ 283,883 | \$ 290,980 | \$ 298,255 | \$ 305,711 | \$ 313,354 | \$ 321,188 | \$ 3,004,489 | |

Life Cycle Cost 2000

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 1.90 | | Airframe: | \$ 149.08 | /FH |
| Engine: | 0.40 | | Engine: | \$ 16.15 | |
| Avionics: | 0.30 | | Avionics: | \$ 21.54 | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | | Inspection Cycle | | Frequency | | |
|-------------|-------------|--------------------|-------------|------------------|--------|-----------|--|--|
| | Name: | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years | | |
| Recurring | 1 300 Hour | \$ 1,944 | | 300 | | 0.5 | | |
| | 2 600 Hour | \$ 4,604 | | 600 | | 1 | | |
| | 3 3000 Hour | \$ 1,023 | | 3000 | | 5 | | |
| | 4 M/R Hub | \$ 2,251 | | 2500 | | | | |
| | 5 Xmsn/Mast | \$ 3,759 | | 3000 | | | | |
| | 6 | | | | | | | |
| | 7 | | | | | | | |
| | 8 | | | | | | | |
| | 9 | | | | | | | |
| | 10 | | | | | | | |
| | 11 | | | | | | | |
| | 12 | | | | | | | |
| One Time | 1 | | | | | | | |
| | 2 | | | | | | | |

| Component Overhaul | | Overhaul Cost | | Prem Removals | | Frequency | | |
|--------------------|-------------------|---------------|----------|---------------|--------|-----------|--|--|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years | | |
| 1 | Mast Ass'y | \$ 8,358 | | 5000 | | | | |
| 2 | Swashplate | \$ 8,090 | | 2500 | | | | |
| 3 | Scissors/Hub | \$ 11,096 | | 2500 | | | | |
| 4 | Transmission | \$ 39,891 | | 5000 | | | | |
| 5 | Shaft H'ger | \$ 2,450 | | 5000 | | | | |
| 6 | Int G'box | \$ 11,045 | | 5000 | | | | |
| 7 | T/R G'box | \$ 9,588 | | 5000 | | | | |
| 8 | T/R Hub | \$ 2,445 | | 2500 | | | | |
| 9 | Rotor Brake Quill | \$ 3,660 | | 5000 | | | | |
| 10 | Hydr Act (3) | \$ 13,881 | | 2500 | | | | |
| 11 | | | | | | | | |
| 12 | | | | | | | | |
| 13 | | | | | | | | |
| 14 | | | | | | | | |
| 15 | | | | | | | | |
| 16 | | | | | | | | |
| 17 | | | | | | | | |
| 18 | | | | | | | | |
| 19 | | | | | | | | |
| 20 | | | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Yoke Assy | \$ 86,708 | | 5000 | | |
| 2 | Spindle | \$ 117,928 | | 10000 | | |
| 3 | Pitch Horn | \$ 16,820 | | 10000 | | |
| 4 | Retention Bolts & Fitting | \$ 25,908 | | 5000 | | |
| 5 | Damper Bridge 1 | \$ 9,096 | | 15000 | | |
| 6 | Damper Bridge 2 | \$ 7,564 | | 10000 | | |
| 7 | Pitch Link Tubes (4) | \$ 4,648 | | 5000 | | |
| 8 | Rod End B'ring (4) | \$ 10,060 | | 5000 | | |
| 9 | Swashplate Link | \$ 15,076 | | 5000 | | |
| 10 | Drive Hub Assy | \$ 5,286 | | 10000 | | |
| 11 | Rephasing Lever (2) | \$ 25,196 | | 5000 | | |
| 12 | Drive Link Assy | \$ 8,790 | | 5000 | | |
| 13 | Swashplate Outer | \$ 11,780 | | 10000 | | |
| 14 | Swashplate Support | \$ 9,796 | | 5000 | | |
| 15 | Gimbal Ring & Collectiv | \$ 6,192 | | 9000 | | |
| 16 | Collective Lever Assy | \$ 6,289 | | 10000 | | |
| 17 | M/R Mast | \$ 23,642 | | 10000 | | |
| 18 | Other 10000 Hr items | \$ 16,320 | | 10000 | | |
| 19 | Lower Cone Seat & Con | \$ 18,651 | | 10000 | | |
| 20 | T/R Drive Adapters (3) | \$ 6,272 | | 5000 | | |
| 21 | T/R Yoke & Blades | \$ 25,190 | | 5000 | | |
| 22 | Bracket Assy (2) | \$ 46,352 | | 10000 | | |
| 23 | Misc 5000 Hr items | \$ 9,408 | | 5000 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 Overhaul | \$ 242,000 | | 4000 | | |
| | 2 Comb Gearbox (1/2) | \$ 74,500 | | 4000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 Compressor Hub | \$ 22,406 | | | 36667 | |
| | 2 Comp Disk, 2nd Stage | \$ 6,521 | | | 29000 | |
| | 3 Comp Disk, 3d Stage | \$ 7,123 | | | 29000 | |
| | 4 Impeller | \$ 43,846 | | | 29000 | |
| | 5 PT Disk | \$ 26,313 | | | 14250 | |
| | 6 CT Disk | \$ 34,814 | | | 8000 | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Bell 412EP

Database Date:

Jan-00

Cost Of Ownership Analysis

For: **DOE NVO RSL N412DE** 12-Jun-00

Aircraft: **Bell 412EP**

Status: **Used**

Acquisition: **Purchase**

Program length: **10** Years

Type of operation: **Government**

Base of operation: **--**

Notes: **N412DE Present Fleet Should Cost**

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE NVO RSL N412DE

Type of Operation: Government

Make/Model:

Used

Bell 412EP

Date:

12-Jun-00

Program Length:

10

Years

Acquisition:

Purchase

Program Data:

| | |
|----------------|--------------|
| Hrs/Year | 25.2 |
| Cycles/Hour | 0.81 |
| Residual Value | 110 % |
| MX Labor Rate | \$ 58.00 /MH |
| Fuel Cost | \$ 1.37 /GAL |

Acquisition Cost + Sales Tax:

| | |
|-------------------|--------------|
| Purchase Price | \$ 2,600,000 |
| State Sales Tax: | \$ - |
| Spares + Tooling: | \$ - |
| Initial Training: | \$ - |
| Trade-in/Other: | \$ - |
| Total | \$ 2,600,000 |

Airframe Status:

| | |
|--------------|--------|
| Total Hours | 2556.9 |
| Total Years | 9 |
| Total Cycles | 2075 |

Lease/Finance Payments:

| | |
|-------------------|------|
| Finance Cost/Year | \$ - |
| Final Payment | \$ - |
| Lease Cost/Year | \$ - |

Ave Inflation:

2.50% /Year

Insured Value: \$ -

Life Cycle Cost Total:

Program Total

Cost/Year

Cost/Hour

Cost/St Mile

Total Acquisition + Sales Tax

\$ -

Total Direct Cost

\$ 1,581,716

\$ 158,172

\$ 6,277

\$ 47.55

Total Fixed Cost

\$ 688,414

\$ 68,841

Residual Value

\$ -

Total Finance/Lease Cost

\$ -

\$ -

Ops + Admin Overhead

\$ 454,026

\$ 45,403

Total Cost:

\$ 2,724,156

\$ 272,416

\$ 10,810

\$ 81.90

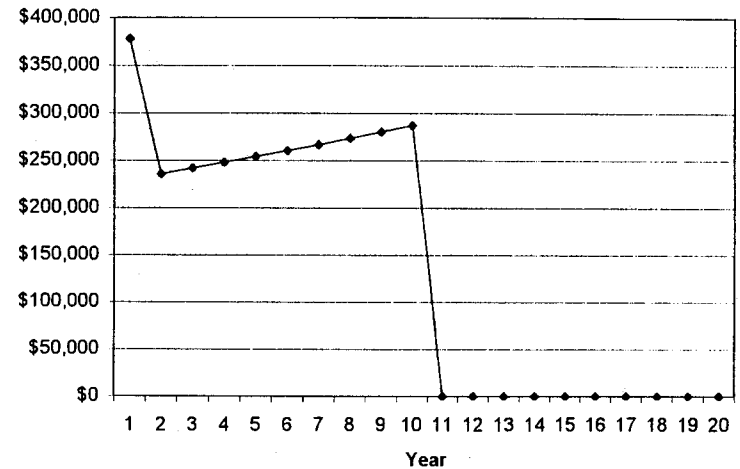
Annual Budget:

(No Depreciation)

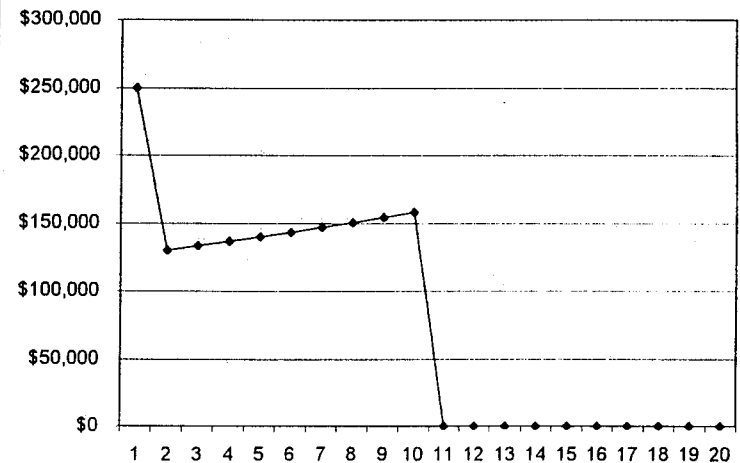
| | |
|---------|------------|
| Year 1 | \$ 377,754 |
| Year 2 | \$ 235,712 |
| Year 3 | \$ 241,605 |
| Year 4 | \$ 247,645 |
| Year 5 | \$ 253,836 |
| Year 6 | \$ 260,182 |
| Year 7 | \$ 266,687 |
| Year 8 | \$ 273,354 |
| Year 9 | \$ 280,188 |
| Year 10 | \$ 287,193 |

| | |
|---------|------|
| Year 11 | \$ - |
| Year 12 | \$ - |
| Year 13 | \$ - |
| Year 14 | \$ - |
| Year 15 | \$ - |
| Year 16 | \$ - |
| Year 17 | \$ - |
| Year 18 | \$ - |
| Year 19 | \$ - |
| Year 20 | \$ - |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

12-Jun-00

(Page 2)

DOE NVO RSL N412DE

Government

Make/Model: Used **Bell 412EP** Acquisition: Purchase 25.2 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 3,452 | \$ 3,539 | \$ 3,627 | \$ 3,718 | \$ 3,811 | \$ 3,906 | \$ 4,004 | \$ 4,104 | \$ 4,206 | \$ 4,312 | \$ 38,679 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 62,089 | \$ 63,641 | \$ 65,232 | \$ 66,863 | \$ 68,535 | \$ 70,248 | \$ 72,004 | \$ 73,804 | \$ 75,649 | \$ 77,541 | \$ 695,607 |
| Parts | | \$ 64,385 | \$ 65,995 | \$ 67,644 | \$ 69,336 | \$ 71,069 | \$ 72,846 | \$ 74,667 | \$ 76,534 | \$ 78,447 | \$ 80,408 | \$ 721,330 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ 123,159 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 123,159 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 75 | \$ 76 | \$ 78 | \$ 80 | \$ 82 | \$ 84 | \$ 87 | \$ 89 | \$ 91 | \$ 93 | \$ 836 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ 188 | \$ 193 | \$ 198 | \$ 202 | \$ 208 | \$ 213 | \$ 218 | \$ 223 | \$ 229 | \$ 235 | \$ 2,106 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 253,348 | \$ 133,444 | \$ 136,780 | \$ 140,199 | \$ 143,704 | \$ 147,297 | \$ 150,979 | \$ 154,754 | \$ 158,623 | \$ 162,588 | \$ 1,591,716 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 28,467 | \$ 29,179 | \$ 29,908 | \$ 30,656 | \$ 31,422 | \$ 32,208 | \$ 33,013 | \$ 33,838 | \$ 34,684 | \$ 35,551 | \$ 318,927 |
| Maintenance Technicians | | \$ 4,618 | \$ 4,733 | \$ 4,852 | \$ 4,973 | \$ 5,097 | \$ 5,225 | \$ 5,356 | \$ 5,489 | \$ 5,627 | \$ 5,767 | \$ 51,737 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 2,804 | \$ 2,874 | \$ 2,946 | \$ 3,020 | \$ 3,095 | \$ 3,172 | \$ 3,252 | \$ 3,333 | \$ 3,416 | \$ 3,502 | \$ 31,414 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 25,023 | \$ 25,649 | \$ 26,290 | \$ 26,947 | \$ 27,621 | \$ 28,311 | \$ 29,019 | \$ 29,744 | \$ 30,488 | \$ 31,250 | \$ 280,342 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 535 | \$ 548 | \$ 562 | \$ 576 | \$ 591 | \$ 605 | \$ 620 | \$ 636 | \$ 652 | \$ 668 | \$ 5,994 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 61,447 | \$ 62,983 | \$ 64,558 | \$ 66,172 | \$ 67,826 | \$ 69,522 | \$ 71,260 | \$ 73,041 | \$ 74,867 | \$ 76,739 | \$ 688,414 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 31,479 | \$ 19,643 | \$ 20,134 | \$ 20,637 | \$ 21,153 | \$ 21,682 | \$ 22,224 | \$ 22,779 | \$ 23,349 | \$ 23,933 | \$ 24,521 | \$ 227,013 |
| Administrative Overhead (G&A) | \$ 31,479 | \$ 19,643 | \$ 20,134 | \$ 20,637 | \$ 21,153 | \$ 21,682 | \$ 22,224 | \$ 22,779 | \$ 23,349 | \$ 23,933 | \$ 24,521 | \$ 227,013 |
| Total Annual Cost | \$ 377,754 | \$ 235,712 | \$ 241,605 | \$ 247,645 | \$ 253,836 | \$ 260,182 | \$ 266,687 | \$ 273,354 | \$ 280,188 | \$ 287,193 | \$ 294,378 | \$ 2,724,156 |

Life Cycle Cost 2000

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 1.90 | MH/FH | Airframe: | \$ 149.08 | /FH |
| Engine: | 0.40 | | Engine: | \$ 16.15 | |
| Avionics: | 0.30 | | Avionics: | \$ 21.54 | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | | Inspection Cycle | | Frequency | |
|-------------|-------------|--------------------|--|------------------|--|-----------|--------|
| Name: | | Total (Current \$) | | Start (Hrs) | | Hours | Cycles |
| Recurring | 1 300 Hour | \$ 1,944 | | | | 300 | 0.5 |
| | 2 600 Hour | \$ 4,604 | | | | 600 | 1 |
| | 3 3000 Hour | \$ 1,023 | | | | 3000 | 5 |
| | 4 M/R Hub | \$ 2,251 | | | | 2500 | |
| | 5 Xmsn/Mast | \$ 3,759 | | | | 3000 | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Overhaul Cost | | Prem Removals | Frequency | |
|--------------------|-------------------|---------------|--|---------------|-----------|--------|
| Name: | | (Current \$) | | /1000 HR | Hours | Cycles |
| | | | | | | Years |
| 1 | Mast Ass'y | \$ 8,358 | | | 5000 | |
| 2 | Swashplate | \$ 8,090 | | | 2500 | |
| 3 | Scissors/Hub | \$ 11,096 | | | 2500 | |
| 4 | Transmission | \$ 39,891 | | | 5000 | |
| 5 | Shaft H'ger | \$ 2,450 | | | 5000 | |
| 6 | Int G'box | \$ 11,045 | | | 5000 | |
| 7 | T/R G'box | \$ 9,588 | | | 5000 | |
| 8 | T/R Hub | \$ 2,445 | | | 2500 | |
| 9 | Rotor Brake Quill | \$ 3,660 | | | 5000 | |
| 10 | Hydr Act (3) | \$ 13,881 | | | 2500 | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Yoke Assy | \$ 86,708 | | 5000 | | |
| 2 | Spindle | \$ 117,928 | | 10000 | | |
| 3 | Pitch Horn | \$ 16,820 | | 10000 | | |
| 4 | Retention Bolts & Fitting | \$ 25,908 | | 5000 | | |
| 5 | Damper Bridge 1 | \$ 9,096 | | 15000 | | |
| 6 | Damper Bridge 2 | \$ 7,564 | | 10000 | | |
| 7 | Pitch Link Tubes (4) | \$ 4,648 | | 5000 | | |
| 8 | Rod End B'ring (4) | \$ 10,060 | | 5000 | | |
| 9 | Swashplate Link | \$ 15,076 | | 5000 | | |
| 10 | Drive Hub Assy | \$ 5,286 | | 10000 | | |
| 11 | Rephasing Lever (2) | \$ 25,196 | | 5000 | | |
| 12 | Drive Link Assy | \$ 8,790 | | 5000 | | |
| 13 | Swashplate Outer | \$ 11,780 | | 10000 | | |
| 14 | Swashplate Support | \$ 9,796 | | 5000 | | |
| 15 | Gimbal Ring & Collectiv | \$ 6,192 | | 9000 | | |
| 16 | Collective Lever Assy | \$ 6,289 | | 10000 | | |
| 17 | M/R Mast | \$ 23,642 | | 10000 | | |
| 18 | Other 10000 Hr items | \$ 16,320 | | 10000 | | |
| 19 | Lower Cone Seat & Con | \$ 18,651 | | 10000 | | |
| 20 | T/R Drive Adapters (3) | \$ 6,272 | | 5000 | | |
| 21 | T/R Yoke & Blades | \$ 25,190 | | 5000 | | |
| 22 | Bracket Assy (2) | \$ 46,352 | | 10000 | | |
| 23 | Misc 5000 Hr items | \$ 9,408 | | 5000 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 Overhaul | \$ 242,000 | | 4000 | | |
| | 2 Comb Gearbox (1/2) | \$ 74,500 | | 4000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 Compressor Hub | \$ 22,406 | | | 36667 | |
| | 2 Comp Disk, 2nd Stage | \$ 6,521 | | | 29000 | |
| | 3 Comp Disk, 3d Stage | \$ 7,123 | | | 29000 | |
| | 4 Impeller | \$ 43,846 | | | 29000 | |
| | 5 PT Disk | \$ 26,313 | | | 14250 | |
| | 6 CT Disk | \$ 34,814 | | | 8000 | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

Cost Of Ownership Analysis

For: **DOE NVO RSL N412DE** 13-Jun-00

Aircraft: **Bell 412EP**

Status: **Used**

Acquisition: **Purchase**

Program length: **10** Years

Type of operation: **Government**

Base of operation: **Nevada**

Additional state taxes or fees not included in the analysis that may be applicable:
- Personal Property Tax

Notes: **N412DE Future Fleet GOCO**
Ops. O/H & G&A at 25% of labor and benefits

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE NVO RSL N412DE

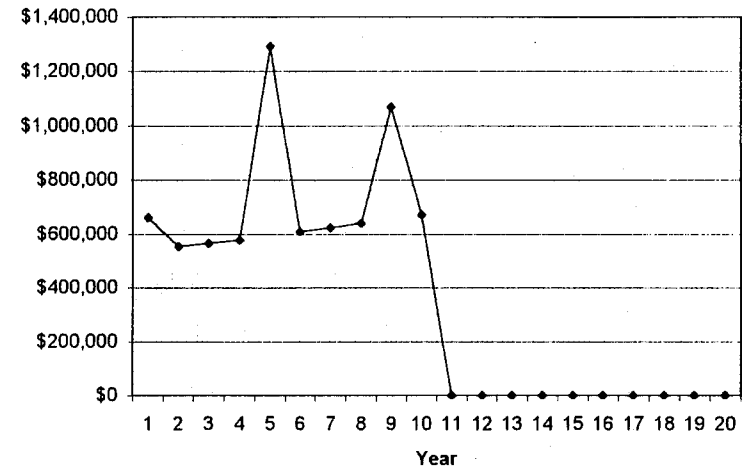
Type of Operation: **Government**

Make/Model: **Used Bell 412EP** Date: **13-Jun-00**

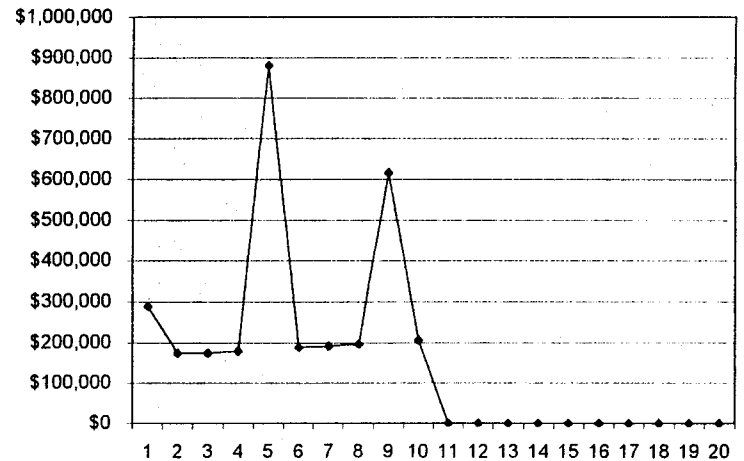
Program Length: **10 Years** Acquisition: **Purchase**

| Program Data: | | Acquisition Cost + Sales Tax: | | | |
|-------------------------------|--------------|-------------------------------|------------|-----------|--------------|
| Hrs/Year | 300 | Purchase Price | \$ | 2,600,000 | |
| Cycles/Hour | 0.81 | State Sales Tax: | \$ | - | |
| Residual Value | 110 % | Spares + Tooling: | \$ | - | |
| MX Labor Rate | \$ 58.00 /MH | Initial Training: | \$ | - | |
| Fuel Cost | \$ 1.50 /GAL | Trade-in/Other: | \$ | - | |
| | | Total | \$ | 2,600,000 | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 2556.9 | Finance Cost/Year | \$ | - | |
| Total Years | 9 | Final Payment | \$ | - | |
| Total Cycles | 2075 | Lease Cost/Year | \$ | - | |
| | | | | | |
| Ave Inflation: | 2.50% /Year | Insured Value: | \$ | - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 3,597,746 | \$ 359,775 | \$ 1,199 | \$ 9.08 |
| Total Fixed Cost | | \$ 2,644,726 | \$ 264,473 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,021,043 | \$ 102,104 | | |
| Total Cost: | | \$ 7,263,515 | \$ 726,352 | \$ 2,421 | \$ 18.34 |
| Annual Budget: | Year 1 | \$ 661,662 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 554,770 | Year 12 | \$ - | |
| | Year 3 | \$ 564,689 | Year 13 | \$ - | |
| | Year 4 | \$ 578,807 | Year 14 | \$ - | |
| | Year 5 | \$ 1,291,991 | Year 15 | \$ - | |
| | Year 6 | \$ 609,266 | Year 16 | \$ - | |
| | Year 7 | \$ 623,311 | Year 17 | \$ - | |
| | Year 8 | \$ 638,894 | Year 18 | \$ - | |
| | Year 9 | \$ 1,068,887 | Year 19 | \$ - | |
| | Year 10 | \$ 671,238 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

13-Jun-00

(Page 2)

DOE NVO RSL N412DE

Government

Make/Model:

Used

Bell 412EP

Acquisition: Purchase

300 Hours/Year

Aircraft Value: \$

Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 46,000 | \$ 46,125 | \$ 47,278 | \$ 48,460 | \$ 49,672 | \$ 50,913 | \$ 52,186 | \$ 53,491 | \$ 54,828 | \$ 56,199 | \$ 504,152 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 98,235 | \$ 100,691 | \$ 103,208 | \$ 105,788 | \$ 108,433 | \$ 111,144 | \$ 113,922 | \$ 116,771 | \$ 119,690 | \$ 122,682 | \$ 1,100,564 |
| Parts | | \$ 59,607 | \$ 61,097 | \$ 62,625 | \$ 64,190 | \$ 65,795 | \$ 67,440 | \$ 69,126 | \$ 70,854 | \$ 72,625 | \$ 74,441 | \$ 667,800 |
| Inspections | | \$ 7,571 | \$ 10,565 | \$ 6,879 | \$ 7,051 | \$ 7,227 | \$ 8,565 | \$ 7,693 | \$ 7,783 | \$ 10,720 | \$ 8,177 | \$ 82,131 |
| Engine Restoral | | \$ 123,169 | \$ - | \$ - | \$ - | \$ 898,714 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 821,873 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 134,637 | \$ - | \$ 134,637 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 276,641 | \$ - | \$ 276,641 |
| Other Services | | | | | | | | | | | | \$ - |
| Flight Hour Cost | | \$ 888 | \$ 910 | \$ 933 | \$ 956 | \$ 980 | \$ 1,005 | \$ 1,030 | \$ 1,056 | \$ 1,082 | \$ 1,109 | \$ 9,949 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 334,460 | \$ 219,388 | \$ 220,923 | \$ 226,446 | \$ 930,820 | \$ 239,067 | \$ 243,857 | \$ 249,954 | \$ 670,223 | \$ 262,608 | \$ 3,597,746 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 98,288 | \$ 100,745 | \$ 103,264 | \$ 105,845 | \$ 108,492 | \$ 111,204 | \$ 113,984 | \$ 116,834 | \$ 119,754 | \$ 122,748 | \$ 1,101,158 |
| Maintenance Technicians | | \$ 62,072 | \$ 63,624 | \$ 65,214 | \$ 66,845 | \$ 68,516 | \$ 70,229 | \$ 71,984 | \$ 73,784 | \$ 75,629 | \$ 77,519 | \$ 695,416 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 40,090 | \$ 41,092 | \$ 42,120 | \$ 43,173 | \$ 44,252 | \$ 45,358 | \$ 46,492 | \$ 47,654 | \$ 48,846 | \$ 50,067 | \$ 449,144 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 9,750 | \$ 9,994 | \$ 10,244 | \$ 10,500 | \$ 10,762 | \$ 11,031 | \$ 11,307 | \$ 11,590 | \$ 11,879 | \$ 12,176 | \$ 109,233 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 25,000 | \$ 25,625 | \$ 26,266 | \$ 26,922 | \$ 27,595 | \$ 28,285 | \$ 28,992 | \$ 29,717 | \$ 30,460 | \$ 31,222 | \$ 280,085 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 865 | \$ 887 | \$ 909 | \$ 932 | \$ 955 | \$ 979 | \$ 1,003 | \$ 1,028 | \$ 1,054 | \$ 1,080 | \$ 9,691 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 236,065 | \$ 241,967 | \$ 248,016 | \$ 254,216 | \$ 260,572 | \$ 267,086 | \$ 273,763 | \$ 280,607 | \$ 287,622 | \$ 294,813 | \$ 2,644,726 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|---------------------|-------------------|---------------------|------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 65,864 | \$ 67,511 | \$ 69,198 | \$ 70,928 | \$ 72,702 | \$ 74,519 | \$ 76,382 | \$ 78,292 | \$ 80,249 | \$ 82,255 | \$ 84,311 | \$ 737,900 |
| Administrative Overhead (G&A) | \$ 25,273 | \$ 25,905 | \$ 26,552 | \$ 27,216 | \$ 27,897 | \$ 28,594 | \$ 29,309 | \$ 30,042 | \$ 30,793 | \$ 31,563 | \$ 32,353 | \$ 283,143 |
| Total Annual Cost | \$ 661,662 | \$ 554,770 | \$ 564,689 | \$ 578,807 | \$ 1,291,990 | \$ 609,266 | \$ 623,311 | \$ 638,894 | \$ 1,068,887 | \$ 671,238 | \$ 7,263,516 | |

Life Cycle Cost 2000

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 1.90 | MH/FH | Airframe: | \$ 149.08 | /FH |
| Engine: | 0.40 | | Engine: | \$ 16.15 | |
| Avionics: | 0.30 | | Avionics: | \$ 21.54 | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | | Inspection Cycle | | Frequency | |
|-------------|-------------|--------------------|-------|------------------|--|-----------|-------|
| Name: | | Total (Current \$) | | Start (Hrs) | | Hours | Years |
| Recurring | 1 300 Hour | \$ | 1,944 | | | 300 | 0.5 |
| | 2 600 Hour | \$ | 4,604 | | | 600 | 1 |
| | 3 3000 Hour | \$ | 1,023 | | | 3000 | 5 |
| | 4 M/R Hub | \$ | 2,251 | | | 2500 | |
| | 5 Xmsn/Mast | \$ | 3,759 | | | 3000 | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Overhaul Cost | | Prem Removals | Frequency | |
|--------------------|---------------------|---------------|--------|---------------|-----------|-------|
| Name: | | (Current \$) | | /1000 HR | Hours | Years |
| | 1 Mast Ass'y | \$ | 8,358 | | 5000 | |
| | 2 Swashplate | \$ | 8,090 | | 2500 | |
| | 3 Scissors/Hub | \$ | 11,096 | | 2500 | |
| | 4 Transmission | \$ | 39,891 | | 5000 | |
| | 5 Shaft H'ger | \$ | 2,450 | | 5000 | |
| | 6 Int G'box | \$ | 11,045 | | 5000 | |
| | 7 T/R G'box | \$ | 9,588 | | 5000 | |
| | 8 T/R Hub | \$ | 2,445 | | 2500 | |
| | 9 Rotor Brake Quill | \$ | 3,660 | | 5000 | |
| | 10 Hydr Act (3) | \$ | 13,881 | | 2500 | |
| | 11 | | | | | |
| | 12 | | | | | |
| | 13 | | | | | |
| | 14 | | | | | |
| | 15 | | | | | |
| | 16 | | | | | |
| | 17 | | | | | |
| | 18 | | | | | |
| | 19 | | | | | |
| | 20 | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Yoke Assy | \$ 86,708 | | 5000 | | |
| 2 | Spindle | \$ 117,928 | | 10000 | | |
| 3 | Pitch Horn | \$ 16,820 | | 10000 | | |
| 4 | Retention Bolts & Fitting | \$ 25,908 | | 5000 | | |
| 5 | Damper Bridge 1 | \$ 9,096 | | 15000 | | |
| 6 | Damper Bridge 2 | \$ 7,564 | | 10000 | | |
| 7 | Pitch Link Tubes (4) | \$ 4,648 | | 5000 | | |
| 8 | Rod End B'ring (4) | \$ 10,060 | | 5000 | | |
| 9 | Swashplate Link | \$ 15,076 | | 5000 | | |
| 10 | Drive Hub Assy | \$ 5,286 | | 10000 | | |
| 11 | Rephasing Lever (2) | \$ 25,196 | | 5000 | | |
| 12 | Drive Link Assy | \$ 8,790 | | 5000 | | |
| 13 | Swashplate Outer | \$ 11,780 | | 10000 | | |
| 14 | Swashplate Support | \$ 9,796 | | 5000 | | |
| 15 | Gimbal Ring & Collectiv | \$ 6,192 | | 9000 | | |
| 16 | Collective Lever Assy | \$ 6,289 | | 10000 | | |
| 17 | M/R Mast | \$ 23,642 | | 10000 | | |
| 18 | Other 10000 Hr items | \$ 16,320 | | 10000 | | |
| 19 | Lower Cone Seat & Con | \$ 18,651 | | 10000 | | |
| 20 | T/R Drive Adapters (3) | \$ 6,272 | | 5000 | | |
| 21 | T/R Yoke & Blades | \$ 25,190 | | 5000 | | |
| 22 | Bracket Assy (2) | \$ 46,352 | | 10000 | | |
| 23 | Misc 5000 Hr items | \$ 9,408 | | 5000 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 Overhaul | \$ 242,000 | | 4000 | | |
| | 2 Comb Gearbox (1/2) | \$ 74,500 | | 4000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 Compressor Hub | \$ 22,406 | | | 36667 | |
| | 2 Comp Disk, 2nd Stage | \$ 6,521 | | | 29000 | |
| | 3 Comp Disk, 3d Stage | \$ 7,123 | | | 29000 | |
| | 4 Impeller | \$ 43,846 | | | 29000 | |
| | 5 PT Disk | \$ 26,313 | | | 14250 | |
| | 6 CT Disk | \$ 34,814 | | | 8000 | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Bell 412EP

Database Date:

Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|--------------------|-----------|
| For: | DOE NVO RSL N412DE | 13-Jun-00 |
| Aircraft: | Bell 412EP | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: N412DE Future Fleet GOGO
G&A at 25% of labor & ben., Fed. Ben. At 30%

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE NVO RSL N412DE

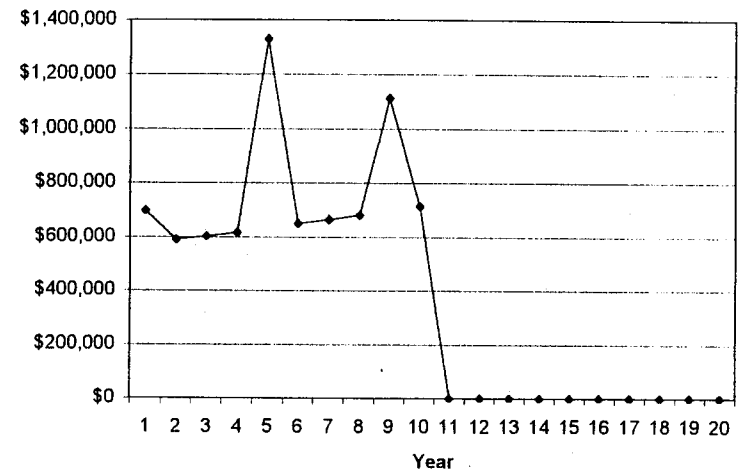
Type of Operation: Government

Make/Model: Used Bell 412EP Date: 13-Jun-00

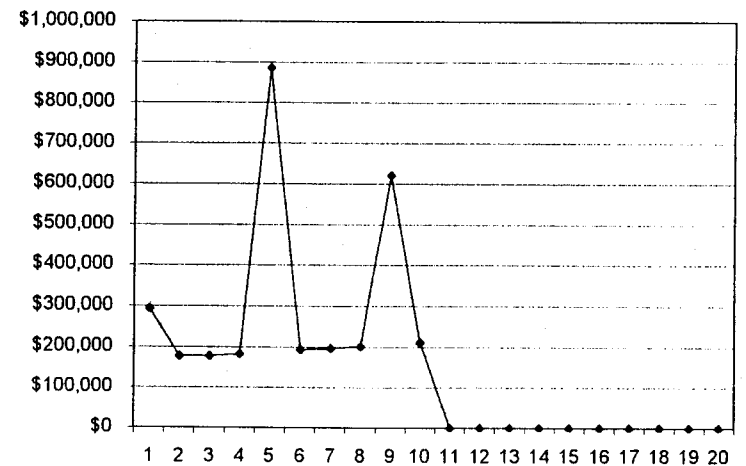
Program Length: 10 Years Acquisition: Purchase

| Program Data: | | Acquisition Cost + Sales Tax: | | | |
|-------------------------------|--------------|-------------------------------|------------|-----------|--------------|
| Hrs/Year | 300 | Purchase Price | \$ | 2,600,000 | |
| Cycles/Hour | 0.81 | State Sales Tax: | \$ | - | |
| Residual Value | 110 % | Spares + Tooling: | \$ | - | |
| MX Labor Rate | \$ 58.00 /MH | Initial Training: | \$ | - | |
| Fuel Cost | \$ 1.50 /GAL | Trade-in/Other: | \$ | - | |
| | | Total | \$ | 2,600,000 | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 2556.9 | Finance Cost/Year | \$ | - | |
| Total Years | 9 | Final Payment | \$ | - | |
| Total Cycles | 2075 | Lease Cost/Year | \$ | - | |
| Ave Inflation: | 2.50% /Year | Insured Value: | \$ | - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 3,641,765 | \$ 364,177 | \$ 1,214 | \$ 9.20 |
| Total Fixed Cost | | \$ 2,734,555 | \$ 273,456 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,277,118 | \$ 127,712 | | |
| Total Cost: | | \$ 7,653,438 | \$ 765,345 | \$ 2,551 | \$ 19.33 |
| Annual Budget: | Year 1 | \$ 696,466 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 590,444 | Year 12 | \$ - | |
| | Year 3 | \$ 601,255 | Year 13 | \$ - | |
| | Year 4 | \$ 616,287 | Year 14 | \$ - | |
| | Year 5 | \$ 1,330,407 | Year 15 | \$ - | |
| | Year 6 | \$ 648,643 | Year 16 | \$ - | |
| | Year 7 | \$ 663,673 | Year 17 | \$ - | |
| | Year 8 | \$ 680,265 | Year 18 | \$ - | |
| | Year 9 | \$ 1,111,292 | Year 19 | \$ - | |
| | Year 10 | \$ 714,704 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

13-Jun-00

(Page 2)

DOE NVO RSL N412DE

Government

Make/Model:

Used

Bell 412EP

Acquisition: Purchase

300 Hours/Year

Aircraft Value: \$

Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 46,000 | \$ 46,126 | \$ 47,278 | \$ 48,460 | \$ 49,672 | \$ 50,913 | \$ 52,186 | \$ 53,491 | \$ 54,828 | \$ 56,199 | \$ 604,152 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 102,164 | \$ 104,718 | \$ 107,336 | \$ 110,019 | \$ 112,770 | \$ 115,589 | \$ 118,479 | \$ 121,441 | \$ 124,477 | \$ 127,589 | \$ 1,144,582 |
| Parts | | \$ 69,607 | \$ 61,097 | \$ 62,626 | \$ 64,190 | \$ 65,796 | \$ 67,440 | \$ 69,126 | \$ 70,854 | \$ 72,626 | \$ 74,441 | \$ 687,800 |
| Inspections | | \$ 7,671 | \$ 10,666 | \$ 6,879 | \$ 7,061 | \$ 7,227 | \$ 8,666 | \$ 7,693 | \$ 7,783 | \$ 10,720 | \$ 8,177 | \$ 82,131 |
| Engine Restoral | | \$ 123,169 | \$ - | \$ - | \$ - | \$ 698,714 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 821,873 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 134,637 | \$ - | \$ 134,637 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 276,641 | \$ - | \$ 276,641 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 888 | \$ 910 | \$ 933 | \$ 956 | \$ 980 | \$ 1,005 | \$ 1,030 | \$ 1,056 | \$ 1,082 | \$ 1,109 | \$ 9,949 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 338,389 | \$ 223,416 | \$ 226,061 | \$ 230,677 | \$ 936,157 | \$ 243,512 | \$ 248,414 | \$ 254,624 | \$ 676,010 | \$ 267,516 | \$ 3,641,766 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 98,288 | \$ 100,746 | \$ 103,264 | \$ 105,846 | \$ 108,492 | \$ 111,204 | \$ 113,984 | \$ 116,834 | \$ 119,764 | \$ 122,748 | \$ 1,101,168 |
| Maintenance Technicians | | \$ 62,072 | \$ 63,624 | \$ 65,214 | \$ 66,846 | \$ 68,516 | \$ 70,229 | \$ 71,984 | \$ 73,784 | \$ 75,629 | \$ 77,519 | \$ 696,416 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 48,108 | \$ 49,311 | \$ 50,543 | \$ 51,807 | \$ 53,102 | \$ 54,430 | \$ 55,791 | \$ 57,186 | \$ 58,616 | \$ 60,080 | \$ 538,972 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 9,760 | \$ 9,994 | \$ 10,244 | \$ 10,500 | \$ 10,762 | \$ 11,031 | \$ 11,307 | \$ 11,590 | \$ 11,879 | \$ 12,176 | \$ 109,233 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 25,000 | \$ 25,626 | \$ 26,266 | \$ 26,922 | \$ 27,596 | \$ 28,286 | \$ 28,992 | \$ 29,717 | \$ 30,460 | \$ 31,222 | \$ 280,086 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 866 | \$ 887 | \$ 909 | \$ 932 | \$ 956 | \$ 979 | \$ 1,003 | \$ 1,028 | \$ 1,054 | \$ 1,080 | \$ 9,691 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 244,083 | \$ 250,185 | \$ 256,440 | \$ 262,851 | \$ 269,422 | \$ 276,168 | \$ 283,061 | \$ 290,138 | \$ 297,391 | \$ 304,826 | \$ 2,734,666 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 68,498 | \$ 70,210 | \$ 71,966 | \$ 73,766 | \$ 75,609 | \$ 77,499 | \$ 79,437 | \$ 81,423 | \$ 83,468 | \$ 85,546 | \$ 87,670 | \$ 767,409 |
| Administrative Overhead (G&A) | \$ 46,496 | \$ 46,633 | \$ 47,799 | \$ 48,994 | \$ 50,219 | \$ 51,476 | \$ 52,761 | \$ 54,080 | \$ 55,432 | \$ 56,818 | \$ 58,239 | \$ 509,709 |
| Total Annual Cost | \$ 696,466 | \$ 690,444 | \$ 691,255 | \$ 696,287 | \$ 701,330 | \$ 706,643 | \$ 712,303 | \$ 718,311 | \$ 724,780 | \$ 731,614 | \$ 738,855 | \$ 6,253,438 |

Life Cycle Cost 2000

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 1.90 | MH/FH | Airframe: | \$ 149.08 | /FH |
| Engine: | 0.40 | | Engine: | \$ 16.15 | |
| Avionics: | 0.30 | | Avionics: | \$ 21.54 | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-----------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | 300 Hour | \$ 1,944 | | 300 | | 0.5 |
| | 2 | 600 Hour | \$ 4,604 | | 600 | | 1 |
| | 3 | 3000 Hour | \$ 1,023 | | 3000 | | 5 |
| | 4 | M/R Hub | \$ 2,251 | | 2500 | | |
| | 5 | Xmen/Mast | \$ 3,759 | | 3000 | | |
| One Time | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 1 | | | | | | |
| | 2 | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------------------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | Mast Ass'y | \$ 8,358 | | 5000 | | |
| | 2 | Swashplate | \$ 8,090 | | 2500 | | |
| | 3 | Scissors/Hub | \$ 11,096 | | 2500 | | |
| | 4 | Transmission | \$ 39,891 | | 5000 | | |
| | 5 | Shaft H'ger | \$ 2,450 | | 5000 | | |
| | 6 | Int G'box | \$ 11,045 | | 5000 | | |
| | 7 | T/R G'box | \$ 9,588 | | 5000 | | |
| | 8 | T/R Hub | \$ 2,445 | | 2500 | | |
| | 9 | Rotor Brake Quill | \$ 3,660 | | 5000 | | |
| | 10 | Hydr Act (3) | \$ 13,881 | | 2500 | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Yoke Assy | \$ 86,708 | | 5000 | | |
| 2 | Spindle | \$ 117,928 | | 10000 | | |
| 3 | Pitch Horn | \$ 16,820 | | 10000 | | |
| 4 | Retention Bolts & Fitting | \$ 25,908 | | 5000 | | |
| 5 | Damper Bridge 1 | \$ 9,096 | | 15000 | | |
| 6 | Damper Bridge 2 | \$ 7,564 | | 10000 | | |
| 7 | Pitch Link Tubes (4) | \$ 4,648 | | 5000 | | |
| 8 | Rod End B'ring (4) | \$ 10,060 | | 5000 | | |
| 9 | Swashplate Link | \$ 15,076 | | 5000 | | |
| 10 | Drive Hub Assy | \$ 5,286 | | 10000 | | |
| 11 | Rephasing Lever (2) | \$ 25,196 | | 5000 | | |
| 12 | Drive Link Assy | \$ 8,790 | | 5000 | | |
| 13 | Swashplate Outer | \$ 11,780 | | 10000 | | |
| 14 | Swashplate Support | \$ 9,796 | | 5000 | | |
| 15 | Gimbal Ring & Collectiv | \$ 6,192 | | 9000 | | |
| 16 | Collective Lever Assy | \$ 6,289 | | 10000 | | |
| 17 | M/R Mast | \$ 23,642 | | 10000 | | |
| 18 | Other 10000 Hr items | \$ 16,320 | | 10000 | | |
| 19 | Lower Cone Seat & Con | \$ 18,651 | | 10000 | | |
| 20 | T/R Drive Adapters (3) | \$ 6,272 | | 5000 | | |
| 21 | T/R Yoke & Blades | \$ 25,190 | | 5000 | | |
| 22 | Bracket Assy (2) | \$ 46,352 | | 10000 | | |
| 23 | Misc 5000 Hr items | \$ 9,408 | | 5000 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 Overhaul | \$ 242,000 | | 4000 | | |
| | 2 Comb Gearbox (1/2) | \$ 74,500 | | 4000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 Compressor Hub | \$ 22,406 | | | 36667 | |
| | 2 Comp Disk, 2nd Stage | \$ 6,521 | | | 29000 | |
| | 3 Comp Disk, 3d Stage | \$ 7,123 | | | 29000 | |
| | 4 Impeller | \$ 43,846 | | | 29000 | |
| | 5 PT Disk | \$ 26,313 | | | 14250 | |
| | 6 CT Disk | \$ 34,814 | | | 8000 | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Bell 412EP

Database Date:

Jan-00

Cost Of Ownership Analysis

For: DOE NVO RSL Add'l. Bell 412 6-Jun-00

Aircraft: Bell 412EP

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: Additional Bell 412 Future Fleet GOCO
Ops. O/H & G&A at 25% of labor and benefits

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

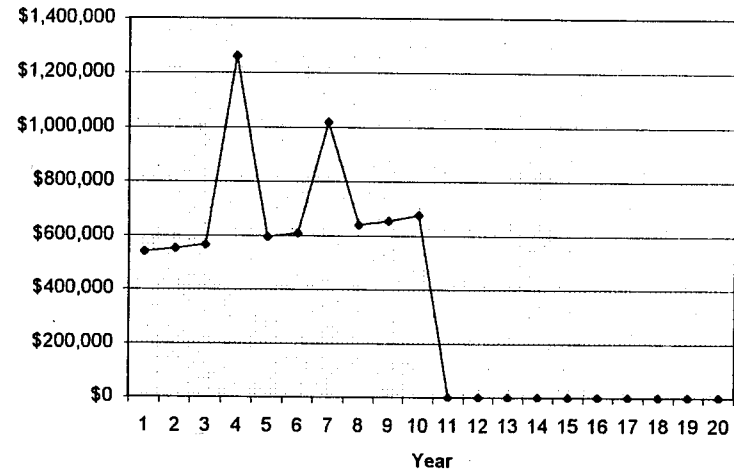
DOE NVO RSL Add'l. Bell 412 Type of Operation: Government

Make/Model: Used Bell 412EP Date: 6-Jun-00

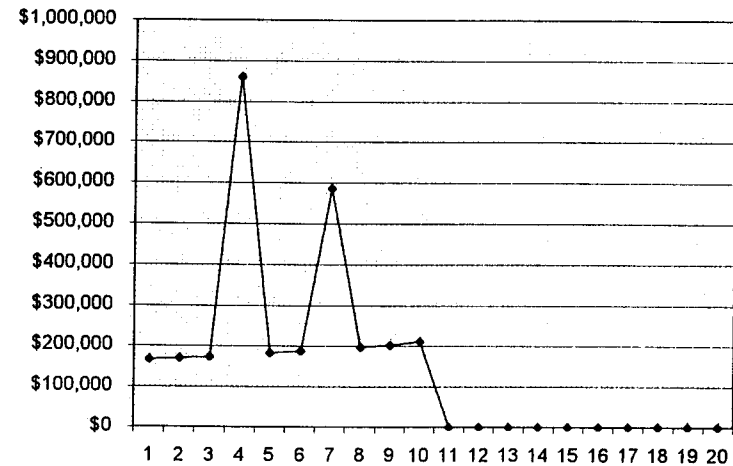
Program Length: 10 Years Acquisition: Purchase

| Program Data: | | Acquisition Cost + Sales Tax: | | | |
|-------------------------------|--------------|-------------------------------|------------|-----------|--------------|
| Hrs/Year | 300 | Purchase Price | \$ | 2,600,000 | |
| Cycles/Hour | 1 | State Sales Tax: | \$ | - | |
| Residual Value | 110 % | Spares + Tooling: | \$ | - | |
| MX Labor Rate | \$ 58.00 /MH | Initial Training: | \$ | - | |
| Fuel Cost | \$ 1.50 /GAL | Trade-in/Other: | \$ | - | |
| | | Total | \$ | 2,600,000 | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 3000 | Finance Cost/Year | \$ | - | |
| Total Years | 9 | Final Payment | \$ | - | |
| Total Cycles | 3000 | Lease Cost/Year | \$ | - | |
| Ave Inflation: | 2.50 % /Year | Insured Value: | \$ | - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | \$ | - | | | |
| Total Direct Cost | \$ | 3,441,932 | \$ 344,193 | \$ 1,147 | \$ 8.69 |
| Total Fixed Cost | \$ | 2,644,726 | \$ 264,473 | | |
| Residual Value | \$ | - | | | |
| Total Finance/Lease Cost | \$ | - | \$ - | | |
| Ops + Admin Overhead | \$ | 1,021,043 | \$ 102,104 | | |
| Total Cost: | \$ | 7,107,701 | \$ 710,770 | \$ 2,369 | \$ 17.95 |
| Annual Budget: | Year 1 | \$ 538,815 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 551,236 | Year 12 | \$ - | |
| | Year 3 | \$ 565,017 | Year 13 | \$ - | |
| | Year 4 | \$ 1,260,814 | Year 14 | \$ - | |
| | Year 5 | \$ 593,621 | Year 15 | \$ - | |
| | Year 6 | \$ 609,619 | Year 16 | \$ - | |
| | Year 7 | \$ 1,017,744 | Year 17 | \$ - | |
| | Year 8 | \$ 639,265 | Year 18 | \$ - | |
| | Year 9 | \$ 655,247 | Year 19 | \$ - | |
| | Year 10 | \$ 676,323 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

6-Jun-00

(Page 2)

DOE NVO RSL Add'l. Bell 412

Government

Make/Model:

Used

Bell 412EP

Acquisition: Purchase

300 Hours/Year

Aircraft Value: \$

Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 45,000 | \$ 46,125 | \$ 47,278 | \$ 48,460 | \$ 49,672 | \$ 50,913 | \$ 52,186 | \$ 53,491 | \$ 54,828 | \$ 56,199 | \$ 604,152 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 98,235 | \$ 100,691 | \$ 103,208 | \$ 105,788 | \$ 108,433 | \$ 111,144 | \$ 113,922 | \$ 116,771 | \$ 119,690 | \$ 122,682 | \$ 1,100,664 |
| Parts | | \$ 59,607 | \$ 61,097 | \$ 62,625 | \$ 64,190 | \$ 65,795 | \$ 67,440 | \$ 69,126 | \$ 70,854 | \$ 72,625 | \$ 74,441 | \$ 667,800 |
| Inspections | | \$ 7,671 | \$ 6,711 | \$ 6,879 | \$ 7,061 | \$ 7,227 | \$ 8,665 | \$ 10,203 | \$ 7,783 | \$ 7,977 | \$ 12,872 | \$ 82,840 |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ 681,672 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 681,672 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 128,150 | \$ - | \$ - | \$ - | \$ 128,150 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 263,311 | \$ - | \$ - | \$ - | \$ 263,311 |
| Other Services | | | | | | | | | | | | \$ - |
| Flight Hour Cost | | \$ 1,200 | \$ 1,230 | \$ 1,261 | \$ 1,292 | \$ 1,325 | \$ 1,358 | \$ 1,392 | \$ 1,426 | \$ 1,462 | \$ 1,499 | \$ 13,444 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 211,613 | \$ 215,854 | \$ 221,251 | \$ 908,454 | \$ 232,451 | \$ 239,420 | \$ 638,290 | \$ 250,325 | \$ 256,583 | \$ 267,692 | \$ 3,441,932 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 98,288 | \$ 100,745 | \$ 103,264 | \$ 105,845 | \$ 108,492 | \$ 111,204 | \$ 113,984 | \$ 116,834 | \$ 119,754 | \$ 122,748 | \$ 1,101,158 |
| Maintenance Technicians | | \$ 62,072 | \$ 63,624 | \$ 65,214 | \$ 66,845 | \$ 68,516 | \$ 70,229 | \$ 71,984 | \$ 73,784 | \$ 75,629 | \$ 77,519 | \$ 695,416 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 40,090 | \$ 41,092 | \$ 42,120 | \$ 43,173 | \$ 44,252 | \$ 45,358 | \$ 46,492 | \$ 47,654 | \$ 48,846 | \$ 50,067 | \$ 449,144 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 9,750 | \$ 9,994 | \$ 10,244 | \$ 10,500 | \$ 10,762 | \$ 11,031 | \$ 11,307 | \$ 11,590 | \$ 11,879 | \$ 12,176 | \$ 109,233 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 25,000 | \$ 25,625 | \$ 26,268 | \$ 26,922 | \$ 27,595 | \$ 28,285 | \$ 28,992 | \$ 29,717 | \$ 30,460 | \$ 31,222 | \$ 280,085 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 865 | \$ 887 | \$ 909 | \$ 932 | \$ 955 | \$ 979 | \$ 1,003 | \$ 1,028 | \$ 1,054 | \$ 1,080 | \$ 9,691 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 236,065 | \$ 241,967 | \$ 248,016 | \$ 254,216 | \$ 260,572 | \$ 267,086 | \$ 273,763 | \$ 280,607 | \$ 287,622 | \$ 294,813 | \$ 2,644,726 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|---------------------|------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 65,864 | \$ 67,511 | \$ 69,198 | \$ 70,928 | \$ 72,702 | \$ 74,519 | \$ 76,382 | \$ 78,292 | \$ 80,249 | \$ 82,255 | \$ 84,311 | \$ 737,900 |
| Administrative Overhead (G&A) | \$ 25,273 | \$ 25,905 | \$ 26,552 | \$ 27,216 | \$ 27,897 | \$ 28,594 | \$ 29,309 | \$ 30,042 | \$ 30,793 | \$ 31,563 | \$ 32,353 | \$ 283,143 |
| Total Annual Cost | \$ 638,815 | \$ 651,236 | \$ 665,017 | \$ 1,260,814 | \$ 693,621 | \$ 609,619 | \$ 1,017,744 | \$ 639,265 | \$ 655,247 | \$ 676,323 | \$ 7,107,701 | |

Life Cycle Cost 2000

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 1.90 | MH/FH | Airframe: | \$ 149.08 | /FH |
| Engine: | 0.40 | | Engine: | \$ 16.15 | |
| Avionics: | 0.30 | | Avionics: | \$ 21.54 | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | | Inspection Cycle | | Frequency | | |
|-------------|----|--------------------|----------|------------------|--|-----------|--------|-------|
| Name: | | Total (Current \$) | | Start (Hrs) | | Hours | Cycles | Years |
| Recurring | 1 | 300 Hour | \$ 1,944 | | | 300 | | 0.5 |
| | 2 | 600 Hour | \$ 4,604 | | | 600 | | 1 |
| | 3 | 3000 Hour | \$ 1,023 | | | 3000 | | 5 |
| | 4 | M/R Hub | \$ 2,251 | | | 2500 | | |
| | 5 | Xmsn/Mast | \$ 3,759 | | | 3000 | | |
| | 6 | | | | | | | |
| | 7 | | | | | | | |
| | 8 | | | | | | | |
| | 9 | | | | | | | |
| | 10 | | | | | | | |
| | 11 | | | | | | | |
| | 12 | | | | | | | |
| One Time | 1 | | | | | | | |
| | 2 | | | | | | | |

| Component Overhaul | | Overhaul Cost | | Prem Removals | Frequency | | |
|--------------------|----|-------------------|-----------|---------------|-----------|--------|-------|
| Name: | | (Current \$) | | /1000 HR | Hours | Cycles | Years |
| | 1 | Mast Ass'y | \$ 8,358 | | 5000 | | |
| | 2 | Swashplate | \$ 8,090 | | 2500 | | |
| | 3 | Scissors/Hub | \$ 11,096 | | 2500 | | |
| | 4 | Transmission | \$ 39,891 | | 5000 | | |
| | 5 | Shaft H'ger | \$ 2,450 | | 5000 | | |
| | 6 | Int G'box | \$ 11,045 | | 5000 | | |
| | 7 | T/R G'box | \$ 9,588 | | 5000 | | |
| | 8 | T/R Hub | \$ 2,445 | | 2500 | | |
| | 9 | Rotor Brake Quill | \$ 3,660 | | 5000 | | |
| | 10 | Hydr Act (3) | \$ 13,881 | | 2500 | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Yoke Assy | \$ 86,708 | | 5000 | | |
| 2 | Spindle | \$ 117,928 | | 10000 | | |
| 3 | Pitch Horn | \$ 16,820 | | 10000 | | |
| 4 | Retention Bolts & Fitting | \$ 25,908 | | 5000 | | |
| 5 | Damper Bridge 1 | \$ 9,096 | | 15000 | | |
| 6 | Damper Bridge 2 | \$ 7,564 | | 10000 | | |
| 7 | Pitch Link Tubes (4) | \$ 4,648 | | 5000 | | |
| 8 | Rod End B'ring (4) | \$ 10,060 | | 5000 | | |
| 9 | Swashplate Link | \$ 15,076 | | 5000 | | |
| 10 | Drive Hub Assy | \$ 5,286 | | 10000 | | |
| 11 | Rephasing Lever (2) | \$ 25,196 | | 5000 | | |
| 12 | Drive Link Assy | \$ 8,790 | | 5000 | | |
| 13 | Swashplate Outer | \$ 11,780 | | 10000 | | |
| 14 | Swashplate Support | \$ 9,796 | | 5000 | | |
| 15 | Gimbal Ring & Collectiv | \$ 6,192 | | 9000 | | |
| 16 | Collective Lever Assy | \$ 6,289 | | 10000 | | |
| 17 | M/R Mast | \$ 23,642 | | 10000 | | |
| 18 | Other 10000 Hr items | \$ 16,320 | | 10000 | | |
| 19 | Lower Cone Seat & Con | \$ 18,651 | | 10000 | | |
| 20 | T/R Drive Adapters (3) | \$ 6,272 | | 5000 | | |
| 21 | T/R Yoke & Blades | \$ 25,190 | | 5000 | | |
| 22 | Bracket Assy (2) | \$ 46,352 | | 10000 | | |
| 23 | Misc 5000 Hr items | \$ 9,408 | | 5000 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 Overhaul | \$ 242,000 | | 4000 | | |
| | 2 Comb Gearbox (1/2) | \$ 74,500 | | 4000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 Compressor Hub | \$ 22,406 | | | 36667 | |
| | 2 Comp Disk, 2nd Stage | \$ 6,521 | | | 29000 | |
| | 3 Comp Disk, 3d Stage | \$ 7,123 | | | 29000 | |
| | 4 Impeller | \$ 43,846 | | | 29000 | |
| | 5 PT Disk | \$ 26,313 | | | 14250 | |
| | 6 CT Disk | \$ 34,814 | | | 8000 | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

8ell 412EP

Database Date:

Jan-00

Cost Of Ownership Analysis

For: DOE NVO RSL Add'l. Bell 412 6-Jun-00

Aircraft: Bell 412EP

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: Additional Bell 412 Future Fleet GOGO
G&A at 12% of labor and benefits

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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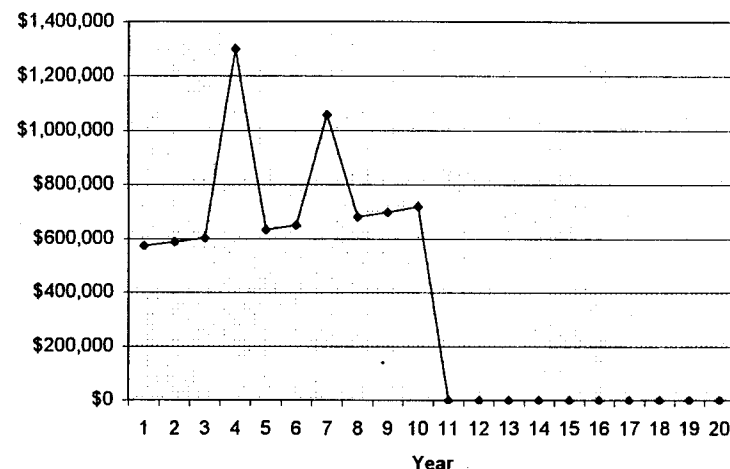
DOE NVO RSL Add'l. Bell 412 Type of Operation: Government

Make/Model: Used Bell 412EP Date: 6-Jun-00

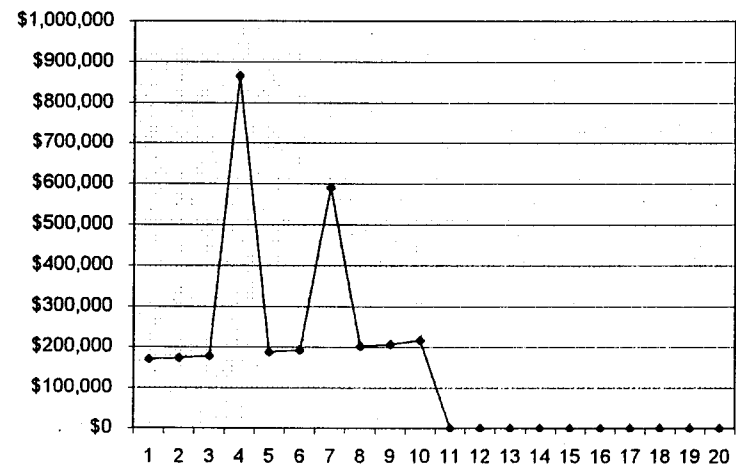
Program Length: 10 Years Acquisition: Purchase

| Program Data: | | Acquisition Cost + Sales Tax: | | | |
|-------------------------------|--------------|-------------------------------|------------|-----------|--------------|
| Hrs/Year | 300 | Purchase Price | \$ | 2,600,000 | |
| Cycles/Hour | 1 | State Sales Tax: | \$ | - | |
| Residual Value | 110 % | Spares + Tooling: | \$ | - | |
| MX Labor Rate | \$ 58.00 /MH | Initial Training: | \$ | - | |
| Fuel Cost | \$ 1.50 /GAL | Trade-in/Other: | \$ | - | |
| | | Total | \$ | 2,600,000 | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 3000 | Finance Cost/Year | \$ | - | |
| Total Years | 9 | Final Payment | \$ | - | |
| Total Cycles | 3000 | Lease Cost/Year | \$ | - | |
| Ave Inflation: | 2.50% /Year | Insured Value: | \$ | - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 3,485,950 | \$ 348,595 | \$ 1,162 | \$ 8.80 |
| Total Fixed Cost | | \$ 2,734,555 | \$ 273,456 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,277,118 | \$ 127,712 | | |
| Total Cost: | | \$ 7,497,623 | \$ 749,762 | \$ 2,499 | \$ 18.93 |
| Annual Budget: | Year 1 | \$ 573,619 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 586,910 | Year 12 | \$ - | |
| | Year 3 | \$ 601,583 | Year 13 | \$ - | |
| | Year 4 | \$ 1,298,294 | Year 14 | \$ - | |
| | Year 5 | \$ 632,038 | Year 15 | \$ - | |
| | Year 6 | \$ 648,997 | Year 16 | \$ - | |
| | Year 7 | \$ 1,058,106 | Year 17 | \$ - | |
| | Year 8 | \$ 680,636 | Year 18 | \$ - | |
| | Year 9 | \$ 697,652 | Year 19 | \$ - | |
| | Year 10 | \$ 719,788 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

6-Jun-00

(Page 2)

DOE NVO RSL Add'l. Ball 412

Government

Make/Model:

Used

Ball 412EP

Acquisition: Purchase

300 Hours/Year

Aircraft Value:

\$

Residual Value:

\$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 45,000 | \$ 46,125 | \$ 47,278 | \$ 48,460 | \$ 49,672 | \$ 50,913 | \$ 52,186 | \$ 53,491 | \$ 54,828 | \$ 56,199 | \$ 604,152 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 102,164 | \$ 104,718 | \$ 107,336 | \$ 110,019 | \$ 112,770 | \$ 115,589 | \$ 118,479 | \$ 121,441 | \$ 124,477 | \$ 127,589 | \$ 1,144,582 |
| Parts | | \$ 59,807 | \$ 61,097 | \$ 62,826 | \$ 64,190 | \$ 65,795 | \$ 67,440 | \$ 69,126 | \$ 70,854 | \$ 72,625 | \$ 74,441 | \$ 687,800 |
| Inspections | | \$ 7,571 | \$ 6,711 | \$ 6,879 | \$ 7,051 | \$ 7,227 | \$ 8,585 | \$ 10,203 | \$ 7,783 | \$ 7,977 | \$ 12,872 | \$ 82,840 |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ 681,672 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 681,672 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 128,150 | \$ - | \$ - | \$ - | \$ 128,150 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 263,311 | \$ - | \$ - | \$ - | \$ 263,311 |
| Other Services | | | | | | | | | | | | \$ - |
| Flight Hour Cost | | \$ 1,200 | \$ 1,230 | \$ 1,261 | \$ 1,292 | \$ 1,325 | \$ 1,358 | \$ 1,392 | \$ 1,426 | \$ 1,462 | \$ 1,499 | \$ 13,444 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 215,542 | \$ 219,881 | \$ 225,378 | \$ 812,685 | \$ 236,788 | \$ 243,865 | \$ 642,846 | \$ 254,995 | \$ 261,370 | \$ 272,599 | \$ 3,485,950 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 98,288 | \$ 100,745 | \$ 103,264 | \$ 105,845 | \$ 108,492 | \$ 111,204 | \$ 113,984 | \$ 116,834 | \$ 119,754 | \$ 122,748 | \$ 1,101,158 |
| Maintenance Technicians | | \$ 62,072 | \$ 63,624 | \$ 65,214 | \$ 66,845 | \$ 68,516 | \$ 70,229 | \$ 71,984 | \$ 73,784 | \$ 75,629 | \$ 77,519 | \$ 695,416 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 48,108 | \$ 49,311 | \$ 50,543 | \$ 51,807 | \$ 53,102 | \$ 54,430 | \$ 55,791 | \$ 57,185 | \$ 58,615 | \$ 60,080 | \$ 538,972 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | \$ - |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 9,750 | \$ 9,994 | \$ 10,244 | \$ 10,500 | \$ 10,762 | \$ 11,031 | \$ 11,307 | \$ 11,590 | \$ 11,879 | \$ 12,176 | \$ 109,233 |
| Miscellaneous | | | | | | | | | | | | \$ - |
| Training Pilot/Maint | | \$ 25,000 | \$ 25,625 | \$ 26,266 | \$ 26,922 | \$ 27,595 | \$ 28,285 | \$ 28,992 | \$ 29,717 | \$ 30,460 | \$ 31,222 | \$ 280,085 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 865 | \$ 887 | \$ 909 | \$ 932 | \$ 955 | \$ 978 | \$ 1,003 | \$ 1,028 | \$ 1,054 | \$ 1,080 | \$ 9,691 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 244,083 | \$ 250,185 | \$ 256,440 | \$ 262,851 | \$ 269,422 | \$ 276,158 | \$ 283,061 | \$ 290,138 | \$ 297,391 | \$ 304,826 | \$ 2,734,555 |

| | | | | | | | | | | | | |
|-------------------------------|--|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | | \$ 68,498 | \$ 70,210 | \$ 71,966 | \$ 73,765 | \$ 75,609 | \$ 77,499 | \$ 79,437 | \$ 81,423 | \$ 83,458 | \$ 85,545 | \$ 767,409 |
| Administrative Overhead (G&A) | | \$ 45,496 | \$ 46,633 | \$ 47,799 | \$ 48,994 | \$ 50,219 | \$ 51,475 | \$ 52,761 | \$ 54,080 | \$ 55,432 | \$ 56,818 | \$ 509,709 |
| Total Annual Cost | | \$ 573,619 | \$ 586,910 | \$ 601,583 | \$ 1,298,294 | \$ 632,038 | \$ 648,997 | \$ 1,058,106 | \$ 880,636 | \$ 897,652 | \$ 719,788 | \$ 7,497,624 |

Life Cycle Cost 2000

Maintenance Cost Data

Bell 412EP

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 1.90 | MH/FH | Airframe: | \$ 149.08 | /FH |
| Engine: | 0.40 | | Engine: | \$ 16.15 | |
| Avionics: | 0.30 | | Avionics: | \$ 21.54 | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|----|-----------|--------------------|------------------|-----------|--------|-------|
| | | Name: | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 | 300 Hour | \$ 1,944 | | 300 | | 0.5 |
| | 2 | 600 Hour | \$ 4,604 | | 600 | | 1 |
| | 3 | 3000 Hour | \$ 1,023 | | 3000 | | 5 |
| | 4 | M/R Hub | \$ 2,251 | | 2500 | | |
| | 5 | Xmen/Mast | \$ 3,759 | | 3000 | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|----|-------------------|---------------|---------------|-----------|--------|-------|
| | | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| | 1 | Mast Ass'y | \$ 8,358 | | 5000 | | |
| | 2 | Swashplate | \$ 8,090 | | 2500 | | |
| | 3 | Scissors/Hub | \$ 11,096 | | 2500 | | |
| | 4 | Transmission | \$ 39,891 | | 5000 | | |
| | 5 | Shaft H'ger | \$ 2,450 | | 5000 | | |
| | 6 | Int G'box | \$ 11,045 | | 5000 | | |
| | 7 | T/R G'box | \$ 9,588 | | 5000 | | |
| | 8 | T/R Hub | \$ 2,445 | | 2500 | | |
| | 9 | Rotor Brake Quill | \$ 3,660 | | 5000 | | |
| | 10 | Hydr Act (3) | \$ 13,881 | | 2500 | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Yoke Assy | \$ 86,708 | | 5000 | | |
| 2 | Spindle | \$ 117,928 | | 10000 | | |
| 3 | Pitch Horn | \$ 16,820 | | 10000 | | |
| 4 | Retention Bolts & Fitting | \$ 25,908 | | 5000 | | |
| 5 | Damper Bridge 1 | \$ 9,096 | | 15000 | | |
| 6 | Damper Bridge 2 | \$ 7,564 | | 10000 | | |
| 7 | Pitch Link Tubes (4) | \$ 4,648 | | 5000 | | |
| 8 | Rod End B'ring (4) | \$ 10,060 | | 5000 | | |
| 9 | Swashplate Link | \$ 15,076 | | 5000 | | |
| 10 | Drive Hub Assy | \$ 5,286 | | 10000 | | |
| 11 | Rephasing Lever (2) | \$ 25,196 | | 5000 | | |
| 12 | Drive Link Assy | \$ 8,790 | | 5000 | | |
| 13 | Swashplate Outer | \$ 11,780 | | 10000 | | |
| 14 | Swashplate Support | \$ 9,796 | | 5000 | | |
| 15 | Gimbal Ring & Collectiv | \$ 6,192 | | 9000 | | |
| 16 | Collective Lever Assy | \$ 6,289 | | 10000 | | |
| 17 | M/R Mast | \$ 23,642 | | 10000 | | |
| 18 | Other 10000 Hr items | \$ 16,320 | | 10000 | | |
| 19 | Lower Cone Seat & Con | \$ 18,651 | | 10000 | | |
| 20 | T/R Drive Adapters (3) | \$ 6,272 | | 5000 | | |
| 21 | T/R Yoke & Blades | \$ 25,190 | | 5000 | | |
| 22 | Bracket Assy (2) | \$ 46,352 | | 10000 | | |
| 23 | Misc 5000 Hr items | \$ 9,408 | | 5000 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 Overhaul | \$ 242,000 | | 4000 | | |
| | 2 Comb Gearbox (1/2) | \$ 74,500 | | 4000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 Compressor Hub | \$ 22,406 | | | 36667 | |
| | 2 Comp Disk, 2nd Stage | \$ 6,521 | | | 29000 | |
| | 3 Comp Disk, 3d Stage | \$ 7,123 | | | 29000 | |
| | 4 Impeller | \$ 43,846 | | | 29000 | |
| | 5 PT Disk | \$ 26,313 | | | 14250 | |
| | 6 CT Disk | \$ 34,814 | | | 8000 | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Bell 412EP

Database Date:

Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|-------------------|----------|
| For: | DOE NVO RSL PC-12 | 6-Jun-00 |
| Aircraft: | PC-12 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: Fixed wing replacement, Pilatus PC-12 GOGO
G&A at 12% of labor and benefits

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE NVO RSL PC-12

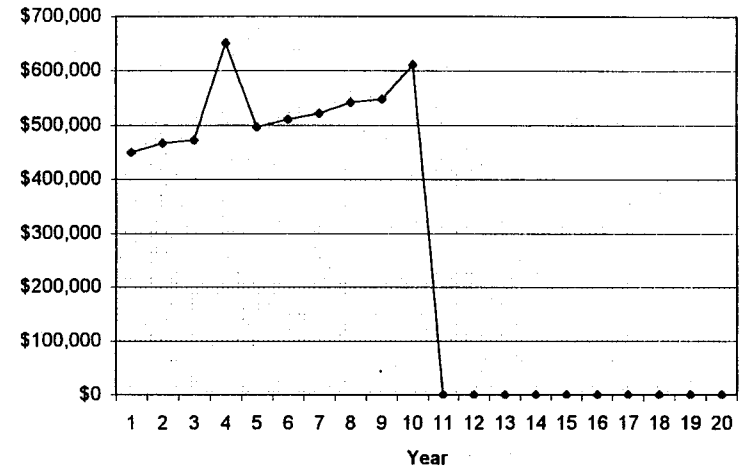
Type of Operation: Government

Make/Model: Used PC-12 Date: 6-Jun-00

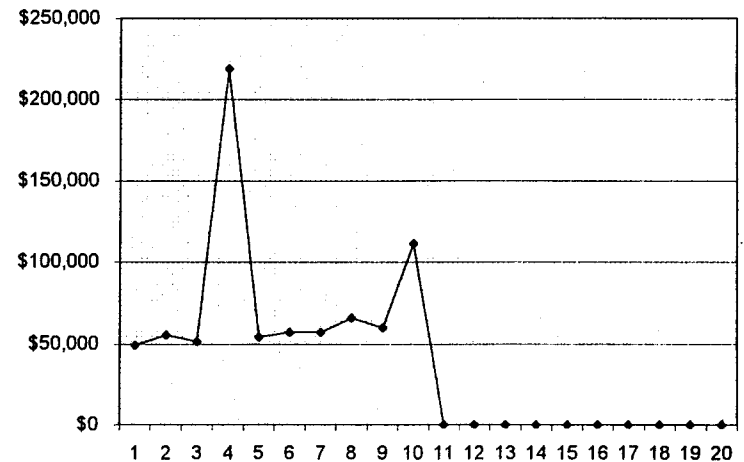
Program Length: 10 Years Acquisition: Purchase

| Program Data: | | Acquisition Cost + Sales Tax: | | | |
|-------------------------------|--------------|-------------------------------|------------|-----------|--------------|
| Hrs/Year | 250 | Purchase Price | \$ | 2,435,000 | |
| Cycles/Hour | 1 | State Sales Tax: | \$ | - | |
| Residual Value | 130 % | Spares + Tooling: | \$ | - | |
| MX Labor Rate | \$ 65.00 /MH | Initial Training: | \$ | - | |
| Fuel Cost | \$ 1.50 /GAL | Trade-in/Other: | \$ | - | |
| | | Total | \$ | 2,435,000 | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 2000 | Finance Cost/Year | \$ | - | |
| Total Years | 4 | Final Payment | \$ | - | |
| Total Cycles | 2000 | Lease Cost/Year | \$ | - | |
| Ave Inflation: | 2.50 % /Year | Insured Value: | \$ | - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 1,010,496 | \$ 101,050 | \$ 404 | \$ 1.66 |
| Total Fixed Cost | | \$ 3,146,967 | \$ 314,697 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,111,320 | \$ 111,132 | | |
| Total Cost: | | \$ 5,268,783 | \$ 526,879 | \$ 2,108 | \$ 8.64 |
| Annual Budget: | Year 1 | \$ 449,737 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 466,106 | Year 12 | \$ - | |
| | Year 3 | \$ 472,505 | Year 13 | \$ - | |
| | Year 4 | \$ 650,375 | Year 14 | \$ - | |
| | Year 5 | \$ 496,426 | Year 15 | \$ - | |
| | Year 6 | \$ 510,534 | Year 16 | \$ - | |
| | Year 7 | \$ 521,558 | Year 17 | \$ - | |
| | Year 8 | \$ 541,966 | Year 18 | \$ - | |
| | Year 9 | \$ 547,961 | Year 19 | \$ - | |
| | Year 10 | \$ 611,615 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

6-Jun-00

(Page 2)

DOE NVO RSL PC-12

Government

Make/Model:

Used

PC-12

Acquisition: Purchase

250 Hours/Year

Aircraft Value:

\$

Residual Value:

\$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|-------------------|---------------------|
| Fuel | | \$ 20,825 | \$ 21,141 | \$ 21,669 | \$ 22,211 | \$ 22,766 | \$ 23,335 | \$ 23,919 | \$ 24,517 | \$ 25,130 | \$ 25,758 | \$ 231,070 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 36,038 | \$ 36,914 | \$ 38,812 | \$ 37,732 | \$ 38,675 | \$ 39,842 | \$ 40,833 | \$ 41,849 | \$ 42,890 | \$ 43,768 | \$ 392,644 |
| Parts | | \$ 13,985 | \$ 14,335 | \$ 14,893 | \$ 15,060 | \$ 15,437 | \$ 15,823 | \$ 16,218 | \$ 16,624 | \$ 17,039 | \$ 17,465 | \$ 168,679 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ 159,380 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 43,710 | \$ 203,090 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ 5,125 | \$ - | \$ 6,877 | \$ - | \$ - | \$ - | \$ 7,370 | \$ - | \$ 8,244 | \$ 25,416 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,697 | \$ - | \$ - | \$ - | \$ - | \$ 1,697 |
| Other Services | | | | | | | | | | | | \$ - |
| Flight Hour Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 69,648 | \$ 76,514 | \$ 73,174 | \$ 241,060 | \$ 76,878 | \$ 80,497 | \$ 80,770 | \$ 90,159 | \$ 84,859 | \$ 138,935 | \$ 1,010,496 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 147,432 | \$ 151,118 | \$ 154,898 | \$ 158,768 | \$ 162,737 | \$ 166,806 | \$ 170,976 | \$ 175,250 | \$ 179,632 | \$ 184,122 | \$ 1,651,737 |
| Maintenance Technicians | | \$ 51,726 | \$ 53,018 | \$ 54,346 | \$ 55,703 | \$ 57,096 | \$ 58,523 | \$ 59,986 | \$ 61,486 | \$ 63,023 | \$ 64,599 | \$ 579,506 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 59,747 | \$ 61,241 | \$ 62,772 | \$ 64,341 | \$ 65,950 | \$ 67,599 | \$ 69,289 | \$ 71,021 | \$ 72,796 | \$ 74,616 | \$ 689,373 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | \$ - |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 10,400 | \$ 10,860 | \$ 10,927 | \$ 11,200 | \$ 11,480 | \$ 11,767 | \$ 12,061 | \$ 12,362 | \$ 12,671 | \$ 12,988 | \$ 116,616 |
| Miscellaneous | | | | | | | | | | | | \$ - |
| Training Pilot/Maint | | \$ 8,300 | \$ 8,508 | \$ 8,720 | \$ 8,938 | \$ 9,162 | \$ 9,391 | \$ 9,625 | \$ 9,866 | \$ 10,113 | \$ 10,366 | \$ 92,988 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 3,289 | \$ 3,371 | \$ 3,456 | \$ 3,542 | \$ 3,630 | \$ 3,721 | \$ 3,814 | \$ 3,910 | \$ 4,007 | \$ 4,108 | \$ 36,848 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 280,894 | \$ 287,917 | \$ 295,116 | \$ 302,493 | \$ 310,056 | \$ 317,806 | \$ 325,751 | \$ 333,895 | \$ 342,243 | \$ 350,799 | \$ 3,148,967 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 67,073 | \$ 68,500 | \$ 69,962 | \$ 71,461 | \$ 72,998 | \$ 74,573 | \$ 76,187 | \$ 77,842 | \$ 79,538 | \$ 81,276 | \$ 83,055 | \$ 639,411 |
| Administrative Overhead (G&A) | \$ 42,122 | \$ 43,175 | \$ 44,254 | \$ 45,361 | \$ 46,495 | \$ 47,657 | \$ 48,849 | \$ 50,070 | \$ 51,322 | \$ 52,605 | \$ 53,918 | \$ 471,909 |
| Total Annual Cost | \$ 449,737 | \$ 466,106 | \$ 472,505 | \$ 480,375 | \$ 489,426 | \$ 499,634 | \$ 510,934 | \$ 523,415 | \$ 537,166 | \$ 552,199 | \$ 568,616 | \$ 5,268,783 |

Life Cycle Cost 2000

Maintenance Cost Data

PC-12

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|----------|-----|
| Airframe: | 0.87 | MH/FH | Airframe: | \$ 90.51 | /FH |
| Engine: | 0.20 | | Engine: | \$ 8.50 | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|--|--------------------------|-------------------------------|---------------------------|--------------------|--------|-------|
| 1 | | Starter/Gen | \$ 1,200 | | 1000 | | |
| 2 | | Propeller (Estimate) | \$ 5,000 | | 4000 | | 6 |
| 3 | | Cold Air Unit (Estimate) | \$ 4,000 | | 6000 | | |
| 4 | | Heat Exchanger (Est.) | \$ 4,000 | | 6000 | | |
| 5 | | Trim Actuator (Est.) | \$ 2,500 | | 6000 | | |
| 6 | | Flap Drive & Actuators (| \$ 5,000 | | 4500 | | |
| 7 | | Overspeed Governor (Es | \$ 5,000 | | 3000 | | |
| 8 | | | | | | | |
| 9 | | | | | | | |
| 10 | | | | | | | |
| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | | | | | | | |
| 15 | | | | | | | |
| 16 | | | | | | | |
| 17 | | | | | | | |
| 18 | | | | | | | |
| 19 | | | | | | | |
| 20 | | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|-------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Engine Shock Mounts (E | \$ 1,500 | | 3500 | | |
| 2 | Hydraulic Power Pack (E | \$ 15,000 | | 20000 | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 H.S.I | \$ 35,000 | | 1500 | | |
| | 2 Overhaul | \$ 148,000 | | 3000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

PC-12

Database Date:

Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|-------------------|----------|
| For: | DOE NVO RSL PC-12 | 6-Jun-00 |
| Aircraft: | PC-12 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: Fixed wing replacement, Pilatus PC-12
Ops. O/H & G&A at 25% of labor and benefits

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE NVO RSL PC-12

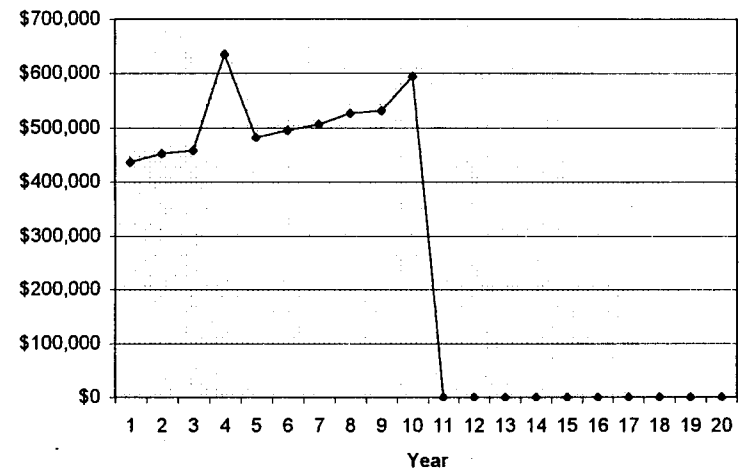
Type of Operation: Government

Make/Model: Used PC-12 Date: 6-Jun-00

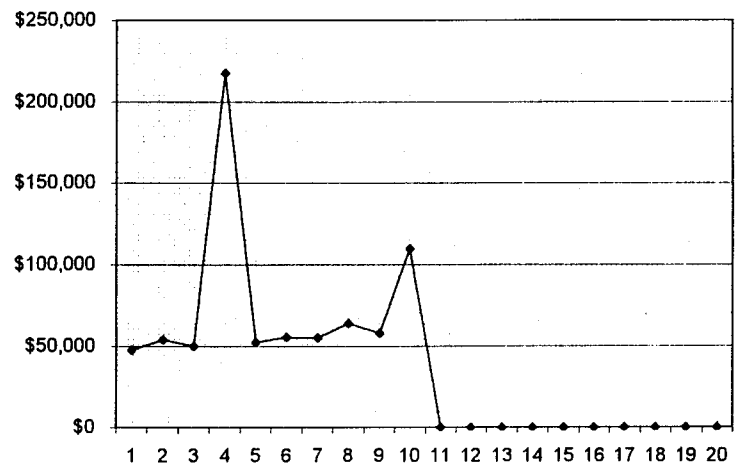
Program Length: 10 Years Acquisition: Purchase

| Program Data: | | Acquisition Cost + Sales Tax: | | | |
|-------------------------------|--------------|-------------------------------|------------|-----------|--------------|
| Hrs/Year | 250 | Purchase Price | \$ | - | |
| Cycles/Hour | 1 | State Sales Tax: | \$ | - | |
| Residual Value | 130 % | Spares + Tooling: | \$ | - | |
| MX Labor Rate | \$ 65.00 /MH | Initial Training: | \$ | - | |
| Fuel Cost | \$ 1.50 /GAL | Trade-in/Other: | \$ | - | |
| | | Total | \$ | - | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 2000 | Finance Cost/Year | \$ | - | |
| Total Years | 4 | Final Payment | \$ | - | |
| Total Cycles | 2000 | Lease Cost/Year | \$ | - | |
| Ave Inflation: | 2.50% /Year | Insured Value: | \$ | - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 995,394 | \$ 99,539 | \$ 398 | \$ 1.63 |
| Total Fixed Cost | | \$ 3,146,967 | \$ 314,697 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 973,215 | \$ 97,322 | | |
| Total Cost: | | \$ 5,115,577 | \$ 511,557 | \$ 2,046 | \$ 8.39 |
| Annual Budget: | Year 1 | \$ 436,062 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 452,089 | Year 12 | \$ - | |
| | Year 3 | \$ 458,138 | Year 13 | \$ - | |
| | Year 4 | \$ 635,648 | Year 14 | \$ - | |
| | Year 5 | \$ 481,331 | Year 15 | \$ - | |
| | Year 6 | \$ 495,062 | Year 16 | \$ - | |
| | Year 7 | \$ 505,699 | Year 17 | \$ - | |
| | Year 8 | \$ 525,711 | Year 18 | \$ - | |
| | Year 9 | \$ 531,300 | Year 19 | \$ - | |
| | Year 10 | \$ 594,537 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

6-Jun-00

(Page 2)

DOE NVO RSL PC-12

Government

Make/Model:

Used

PC-12

Acquisition: Purchase

250 Hours/Year

Aircraft Value:

\$

Residual Value:

\$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| Fuel | | \$ 20,625 | \$ 21,141 | \$ 21,669 | \$ 22,211 | \$ 22,766 | \$ 23,335 | \$ 23,919 | \$ 24,517 | \$ 25,130 | \$ 25,768 | \$ 231,070 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 33,690 | \$ 34,532 | \$ 35,396 | \$ 36,280 | \$ 37,187 | \$ 38,117 | \$ 39,070 | \$ 40,047 | \$ 41,048 | \$ 42,074 | \$ 377,442 |
| Parts | | \$ 13,985 | \$ 14,335 | \$ 14,693 | \$ 15,060 | \$ 15,437 | \$ 15,823 | \$ 16,218 | \$ 16,624 | \$ 17,039 | \$ 17,465 | \$ 156,679 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ 159,380 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 43,710 | \$ 203,090 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ 5,125 | \$ - | \$ 6,677 | \$ - | \$ - | \$ - | \$ 7,370 | \$ - | \$ 6,244 | \$ 25,416 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,697 | \$ - | \$ - | \$ - | \$ - | \$ 1,697 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 68,300 | \$ 76,133 | \$ 71,768 | \$ 239,608 | \$ 75,390 | \$ 78,972 | \$ 79,207 | \$ 88,557 | \$ 83,217 | \$ 135,252 | \$ 995,394 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 147,432 | \$ 151,118 | \$ 154,896 | \$ 158,768 | \$ 162,737 | \$ 166,806 | \$ 170,876 | \$ 175,250 | \$ 179,632 | \$ 184,122 | \$ 1,651,737 |
| Maintenance Technicians | | \$ 51,726 | \$ 53,019 | \$ 54,345 | \$ 55,703 | \$ 57,096 | \$ 58,523 | \$ 59,986 | \$ 61,486 | \$ 63,023 | \$ 64,599 | \$ 579,506 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 59,747 | \$ 61,241 | \$ 62,772 | \$ 64,341 | \$ 65,950 | \$ 67,599 | \$ 69,289 | \$ 71,021 | \$ 72,796 | \$ 74,616 | \$ 689,373 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 10,400 | \$ 10,660 | \$ 10,927 | \$ 11,200 | \$ 11,480 | \$ 11,767 | \$ 12,061 | \$ 12,362 | \$ 12,671 | \$ 12,988 | \$ 116,515 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 8,300 | \$ 8,508 | \$ 8,720 | \$ 8,938 | \$ 9,162 | \$ 9,391 | \$ 9,625 | \$ 9,866 | \$ 10,113 | \$ 10,366 | \$ 92,988 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 3,289 | \$ 3,371 | \$ 3,456 | \$ 3,542 | \$ 3,630 | \$ 3,721 | \$ 3,814 | \$ 3,910 | \$ 4,007 | \$ 4,108 | \$ 36,848 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 280,894 | \$ 287,917 | \$ 295,116 | \$ 302,493 | \$ 310,055 | \$ 317,806 | \$ 325,751 | \$ 333,895 | \$ 342,243 | \$ 350,799 | \$ 3,146,967 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 54,878 | \$ 56,250 | \$ 57,656 | \$ 59,098 | \$ 60,575 | \$ 62,089 | \$ 63,642 | \$ 65,233 | \$ 66,864 | \$ 68,535 | \$ 614,819 | \$ 614,819 |
| Administrative Overhead (G&A) | \$ 31,990 | \$ 32,790 | \$ 33,609 | \$ 34,450 | \$ 35,311 | \$ 36,184 | \$ 37,099 | \$ 38,026 | \$ 38,977 | \$ 39,951 | \$ 358,396 | \$ 358,396 |
| Total Annual Cost | \$ 436,062 | \$ 452,089 | \$ 458,138 | \$ 463,648 | \$ 469,131 | \$ 475,082 | \$ 481,509 | \$ 488,411 | \$ 495,790 | \$ 503,646 | \$ 511,965 | \$ 5,116,577 |

Life Cycle Cost 2000

Maintenance Cost Data

PC-12

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|----------|-----|
| Airframe: | 0.87 | MH/FH | Airframe: | \$ 90.51 | /FH |
| Engine: | 0.20 | | Engine: | \$ 8.50 | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|--|--------------------------|-------------------------------|---------------------------|--------------------|--------|-------|
| 1 | | Starter/Gen | \$ 1,200 | | 1000 | | |
| 2 | | Propeller (Estimate) | \$ 5,000 | | 4000 | | 6 |
| 3 | | Cold Air Unit (Estimate) | \$ 4,000 | | 6000 | | |
| 4 | | Heat Exchanger (Est.) | \$ 4,000 | | 6000 | | |
| 5 | | Trim Actuator (Est.) | \$ 2,500 | | 6000 | | |
| 6 | | Flap Drive & Actuators (| \$ 5,000 | | 4500 | | |
| 7 | | Overspeed Governor (Es | \$ 5,000 | | 3000 | | |
| 8 | | | | | | | |
| 9 | | | | | | | |
| 10 | | | | | | | |
| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | | | | | | | |
| 15 | | | | | | | |
| 16 | | | | | | | |
| 17 | | | | | | | |
| 18 | | | | | | | |
| 19 | | | | | | | |
| 20 | | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|-------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Engine Shock Mounts (E | \$ 1,500 | | 3500 | | |
| 2 | Hydraulic Power Pack (E | \$ 15,000 | | 20000 | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 H.S.I | \$ 35,000 | | 1500 | | |
| | 2 Overhaul | \$ 148,000 | | 3000 | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

PC-12

Database Date:

Jan-00

MEO STAFFING PLAN

Nevada Aviation Operations

| POSITION | NUMBER | GRADE |
|------------------------|--------|-------|
| Chief Pilot - PC-12 | 1 | GS-13 |
| Line Pilots - PC-12 | 4 | GS-12 |
| Chief Pilot - Bell-412 | 1 | GS-13 |
| Line Pilots | 4 | GS-12 |
| Chief of Maintenance | 1 | GS-13 |
| Quality Assurance | 2 | GS-12 |
| Line Mechanics | 2 | GS-12 |
| Line Mechanics | 4 | GS-11 |
| Line Mechanics | 2 | GS-7 |
| Operations Manager | 1 | GS-13 |
| Flight Operations | 2 | GS-11 |
| Procurement | 1 | GS-11 |
| Parts/Supply | 1 | GS-9 |
| TOTAL | 26 | |

QUALITY ASSURANCE SURVEILLANCE PLAN

| EVALUATION CRITERIA | STANDARD | SANCTION |
|---|--------------|--|
| Aircraft Availability Rate | 98% | Loss of 1/30 th of Incentive Fee for each day when standard is not met. |
| Aircraft Accidents | No Accidents | Cost of physical damages and loss of incentive fee. |
| Personnel Injuries | No Injuries | Negotiated loss of availability |
| Aircraft meet continuous airworthiness requirements | 100% | Negotiated loss of incentive fee or contract termination |
| Flight crews and maintenance personnel qualified and current. | 100% | Negotiated damage or contract termination. |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

| | | | |
|-----------------|--------------|-----------------------|-------------------|
| <u>Aircraft</u> | <u>Based</u> | <u>Analysis</u> | <u>Version</u> |
| Bell 412 | NVO | GOGO COCO Adjusted | Alpha Purchase |
| | | 1st Year Values | |

DIRECT OPERATION COSTS PER FLIGHT HOUR (PFH)

| | | | |
|----|---|----------|------------------|
| 1. | Fuel and Lubricants | | \$154.50 |
| 2. | Crew Cost (PFH) | | \$401.89 |
| 3. | Aircraft Lease or Rental | | \$0.00 |
| 4. | Landing Fee and Tie-Down | | \$0.00 |
| 5. | Maintenance and Spares | | |
| a. | Labor cost (\$ per hour multiplied by man-hours PFH) | \$62.97 | |
| b. | Reserve for retirement items | \$170.20 | |
| c. | Reserve for engine overhaul and repairs | \$109.43 | |
| d. | Reserve for major component overhaul and other life-limited items | \$0.00 | |
| e. | Reserve for aircraft refurbishment and miscellaneous | \$0.00 | |
| f. | Unscheduled maintenance | \$0.00 | |
| g. | Total direct maintenance and spares | | \$342.60 |
| 6. | Total Direct Operating Cost PFH | | \$898.99 |
| 7. | Flight Hours for PWS | | 300 |
| 8. | TOTAL DIRECT OPERATING COST (line 6 multiplied by line 7) | | \$269,698 |

FIXED OPERATION ANNUAL COST

| | | | |
|-----|---|----------|--------------------|
| 9. | Crew Costs | | \$149,283 |
| 10. | Maintenance Costs | | \$2,177,065 |
| 11. | Aircraft Lease | | \$0 |
| 12. | Depreciation | | (\$15,191) |
| 13. | Self-Insurance Costs | | |
| a. | Liability | \$7,000 | |
| b. | Casualty | \$62,766 | |
| c. | Total Self-Insurance Cost | | \$69,766 |
| 14. | Operations Overhead | | \$69,103 |
| 15. | Administrative Overhead | | \$0 |
| 16. | Cost of Capital or Finance Expense | | \$170,165 |
| 17. | TOTAL FIXED OPERATING ANNUAL COST (sum lines 9 thru 16) | | \$2,620,190 |
| 18. | TOTAL IN-HOUSE PERFORMANCE COST (line 8 + line 17) | | \$2,889,888 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

Aircraft
Bell 412

Based
NVO

Analysis
GOGO|COCO
Adjusted

1st Year
Values

Version
Alpha
Purchase

CONTRACT AVIATION OPERATIONS COST WORKSHEET

| | | |
|-----|--|--------------------|
| 19. | Contract Cost (rate*hrs/yr) | \$1,686,000 |
| 20. | Cost Construction to Meet PWS | |
| a. | Daily availability/guarantee hours | \$0 |
| b. | Additional pilot and crew charges | \$11,400 |
| c. | Additional maintenance support | \$0 |
| d. | Airframe alteration/equipment installation | \$0 |
| e. | Equipment not provided by Government | \$0 |
| f. | Additional ground service support | \$0 |
| g. | Travel and per diem | \$0 |
| h. | Service equipment mileage | \$0 |
| i. | Airport fees | \$0 |
| j. | Other costs | \$0 |
| 21. | Contract Administration Costs | \$7,596 |
| 22. | One-time Conversion Costs | \$1,612 |
| 23. | Gain on Disposal/Transfer of Assets (deduct cost) | \$0 |
| 24. | Federal Income Tax (line 19*2% deduct cost) | (\$33,720) |
| 25. | TOTAL CONVERSION & ADMINISTRATIVE COST (sum lines 19-25) | \$1,672,888 |

IN-HOUSE VS CONTRACT PERFORMANCE

10 year analysis

| | | Performance periods | | | | TOTAL |
|-----|---|---------------------|-----------------|-----------|-------------|----------------|
| | | 1st (mil) | 2nd (mil) | 3rd (mil) | add'l (mil) | |
| 26. | In-house Performance | \$3.03 | \$3.09 | \$3.15 | \$23.90 | \$33,176,826 |
| 27. | Contract Performance | \$1.76 | \$1.81 | \$1.85 | \$14.40 | \$19,819,435 |
| 28. | Conversion Differential | | | | | \$41,223 |
| 29. | Adjusted Total Cost of Contract Performance | | | | | \$19,860,658 |
| 30. | Decision (line 29 minus line 26) | | | | | (\$13,316,168) |
| 31. | COST COMPARISON DECISION: | | | | | |
| | | | Accomplish Work | | | |
| | | | In-house | | No | |
| | | | contract | | Yes | |

Analysis Model Developed by
David D. Darling, 303-279-7458
Golden CO 80401,
Version April 2000

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Common Data

| | |
|---------------------------------------|--------------|
| Version | Alpha |
| Aircraft | Bell 412 |
| Based | NVO |
| Hours flown/yr | 300 |
| Legs flown/yr | 300 |
| Nights from base/yr | 0 |
| Salary Benefits | 32.45% |
| Maint labor rate-\$/hr | \$24.22 |
| Period of analysis-yrs (max 10 years) | 10 |
| Current year | 2000 |
| On-line year | 2002 |
| Interest rate | 6.100% |
| Unadjusted analysis? (e.g. startup) | no |
| Government owned? | beginning |
| Government operated? | beginning |
| Analysis | GOGO to COCO |

| | | | |
|--------------------|---------------|--------------|----------|
| Payment instrument | is it "free"? | lease years? | purchase |
| | no | 0 | yes |

Insurance Calculations

| | | | | | |
|----------|------------|---|--------|------------|----------|
| Bell 412 | helicopter | 4 | 0.0225 | \$6,000.00 | \$250.00 |
|----------|------------|---|--------|------------|----------|

| aircraft | eng type | seats | eng type | hull ins factor | liability ins base | liability ins plus/seat |
|----------|------------|-------|-------------------|-----------------|--------------------|-------------------------|
| Bell 412 | helicopter | 4 | helicopter | 2.250% | \$6,000 | \$250 |
| PC-12 | turboprop | 3 | jet | 0.300% | \$14,000 | \$250 |
| | | | single eng piston | 1.100% | \$575 | \$250 |
| | | | turboprop | 0.550% | \$8,000 | \$250 |
| | | | Twin eng piston | 1.100% | \$750 | \$250 |

NOTE: MUST SORT DATA
(COLS A,B&C) IN
ASCENDING ORDER BY
COL "A"

Source: Based on
PWS
requirements.

I

NOTE: MUST SORT
DATA (COLS A, B, C
& D) IN ASCENDING
ORDER BY COL "A"

Source:
GSA Aircraft
Management
Policy Div,
Transmittal
Letter Sep 15,
1997

II

III

| Inflation factors from OMB | | 1 | | 2 | |
|----------------------------|----|----------------|-------|---------------|-------|
| | | wages/salaries | accum | non-pay items | accum |
| 2000 | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| 2001 | 1 | 3.0% | 3.0% | 2.6% | 2.6% |
| 2002 | 2 | 3.0% | 6.1% | 2.6% | 5.3% |
| 2003 | 3 | 3.0% | 9.3% | 2.6% | 8.0% |
| 2004 | 4 | 3.0% | 12.6% | 2.6% | 10.8% |
| 2005 | 5 | 3.0% | 15.9% | 2.6% | 13.7% |
| 2006 | 6 | 3.0% | 19.4% | 2.6% | 16.6% |
| 2007 | 7 | 3.0% | 23.0% | 2.6% | 19.7% |
| 2008 | 8 | 3.0% | 26.7% | 2.6% | 22.8% |
| 2009 | 9 | 3.0% | 30.5% | 2.6% | 26.0% |
| 2010 | 10 | 3.0% | 34.4% | 2.6% | 29.3% |
| 2011 | 11 | 3.0% | 38.4% | 2.6% | 32.6% |
| 2012 | 12 | 3.0% | 42.6% | 2.6% | 36.1% |
| 2013 | 13 | 3.0% | 46.9% | 2.6% | 39.6% |
| 2014 | 14 | 3.0% | 51.3% | 2.6% | 43.2% |

Basic National Payscale 1998

| | |
|-------|-----------|
| GS-10 | \$39,811 |
| GS-11 | \$47,412 |
| GS-12 | \$56,823 |
| GS-13 | \$67,571 |
| GS-14 | \$79,849 |
| GS-15 | \$86,652 |
| GS-2 | \$16,851 |
| GS-3 | \$18,996 |
| GS-4 | \$21,324 |
| GS-5 | \$23,860 |
| GS-6 | \$26,593 |
| GS-7 | \$32,032 |
| GS-8 | \$32,728 |
| GS-9 | \$39,184 |
| SES-1 | \$104,577 |
| SES-2 | \$109,531 |
| SES-3 | \$114,486 |
| SES-4 | \$120,706 |
| SES-5 | \$124,817 |
| SES-6 | \$124,817 |

IV

| | |
|-----|-------|
| DEN | 2.88% |
| DSW | 0.00% |
| HUR | 0.00% |
| MTR | 0.00% |
| NVO | 0.00% |
| SNR | 2.11% |

V

Source: OMP, 1998

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Aircraft
Bell 412

Based
NVO

Analysis
GOGO|COCO
Adjusted

Version
Alpha
Purchase

Line-by-Line Front End A-76

| | | START | | NOTES |
|------------------|--|-------|-------------|---------------------------|
| | | V | V | |
| Fuels & Lubs | Fuel type | Jet A | | |
| In 1 | Consumption (gal/hr) | | 100 | |
| | % DOD | | 100% | |
| | unit cost \$/gal DOD | | \$1.50 | |
| | unit cost \$/gal COMM | | \$2.00 | |
| | Other consumables | | 3% | |
| Crew Costs | Rental rate/day | | \$0.00 | |
| In 2 | per diem rate | | \$0.00 | |
| | Number of crew | | 0 | |
| | Grade (for overtime) | GS-12 | | |
| | Num hourly crew (a) | | 2 | |
| | Straight time hrs/yr | | 2087 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime factor | | 0 | |
| | Num hourly crew (b) | | 0 | |
| | Straight time hrs/yr | | 0 | |
| | Hourly wage rate | | \$0.00 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime rate | | 0 | |
| | Misc/yr | | | |
| | Total variable crew costs | | \$0.00 | |
| | Item b | | \$0.00 | |
| | Item c | | \$0.00 | |
| Lease/Rent | Lease/Rent Flt Hrs/yr | | | |
| In 3 | a plane | | 0 | |
| | b plane | | 0 | |
| | c plane | | 0 | |
| | Lease/Rent rates/hr | | | |
| | a plane | | \$0.00 | |
| | b plane | | \$0.00 | |
| | c plane | | \$0.00 | |
| Landing/Tie-down | Landing fee /td | | \$0.00 | |
| In 4 | Tie-down fee/day | | \$0.00 | |
| Maint/Spare | Maint labor man-hrs PFH | | 2.6000 | NVO FF Pers costs |
| In 5 | Res for engine restoration PFH | | \$170.20 | AC Cost evaluator |
| | Res for dynamic component & life limited parts PFH | | \$109.43 | AC cost Evaluator |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| Crew Cost Fixed | Crew (a) | | | |
| In 9 | Grade | GS-13 | | |
| | Time allotment % | | 20% | |
| | Training costs \$/yr | | \$3,300.00 | NVO FC prorated over 3 AC |
| | Crew (b) | | | |
| | Grade | GS-12 | | |
| | Time allotment % | | 67% | |
| | Training costs \$/yr | | \$10,000.00 | NVO FC prorated |
| | Crew (c) | | | |
| | Grade | GS-12 | | |
| | Time allotment % | | 67% | |
| | Training costs \$/yr | | \$10,000.00 | NVO FC prorated |
| Maint Cost | Airframe,sys,instmt hrs PFH | | 1.97 | AC Cost Eval. |
| In 10 | Avionics hrs PFH | | 0.00 | |
| | misc hrs PFH | | 0.00 | |
| | item (d) hrs PFH | | 0.00 | |
| | Material costs | | \$0.00 | |
| | Airframe,sys,instmt \$ PFH | | \$198.69 | AC Cost Eval. |
| | Avionics \$ PFH | | \$0.00 | |
| | misc \$ PFH | | \$0.00 | |
| | item (d) \$ PFH | | \$0.00 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|-----------------|--------------|-----------------------|-------------------|
| <u>Aircraft</u> | <u>Based</u> | <u>Analysis</u> | <u>Version</u> |
| Bell 412 | NVO | GOGO COCO Adjusted | Alpha Purchase |

| | | | |
|--|-----------------------------|--------|--------------------|
| | Sched inspect items | \$0.00 | |
| | Airframe,sys,instmt hrs PFH | 170.02 | AC Cost Eval. ENG. |
| | item (b) hrs PFH | 119.43 | AC Cost Eval. TBO |
| | item (c) hrs PFH | 0.00 | |
| | item (d) hrs PFH | 0.00 | |
| | misc Tot\$ | \$0.00 | |

| | | | |
|-------------------------|----------------------|----------------|--------------|
| Aircraft Lease In 11 | Costs (current year) | | |
| | Base aircraft | \$2,650,000.00 | AC Blue Book |
| | Avionics | \$0.00 | |
| | service charge rate | 0% | |

| | | | |
|-----------------------|----------------------|---------------------|---------------------------------|
| Depreciation In 12 | Value of aircraft | \$2,941,500.00 | |
| | Sale w/ avionics | | |
| | Custom Depreciation? | no | If "yes" - list residual values |
| | | custom seq (per yr) | <<<< START HERE! 2002 |
| | | | |

| | | | |
|--|------------------------------------|-------|------------------------------|
| | Equation? | no | If "yes" - list coefficients |
| | Equation coef | value | <<<< START HERE |
| | a | 0 | |
| | b | 0 | |
| | c | 0 | |
| | d | 0 | |
| | e | 0 | |
| | f | 0 | |
| | FORM: $y=ax^5+bx^4+cx^3+dx^2+ex+f$ | | |
| | | | |

| | | | |
|--------------------------|------------------|--|--|
| Self-Insurance In 13c | Auto-Calculation | | |
|--------------------------|------------------|--|--|

| | | | |
|-----------------------|----------------------------|--------|--|
| Ops Overhead In 14 | Admin (a) | | |
| | Grade GS-14 | | |
| | Time allotment % | 20% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (b) | | |
| | Grade GS-11 | | |
| | Time allotment % | 20% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (c) | | |
| | Grade GS-11 | | |
| | Time allotment % | 20% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (d) | | |
| | Grade GS-9 | | |
| | Time allotment % | 20% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (e) | | |
| | Grade GS-7 | | |
| | Time allotment % | 20% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Hangar rental /yr | \$0.00 | |
| | Home base tie-down fee /yr | \$0.00 | |
| | Office space /yr | \$0.00 | |
| | Office supplies /yr | \$0.00 | |
| | Utilities per yr | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Aircraft | Based | Analysis | Version |
|-----------------------------------|------------------------------|--------------------------|-----------------------|
| Bell 412 | NVO | GOGO COCO Adjusted | Alpha Purchase |
| | | Phone | \$0.00 |
| | | Electricity | \$0.00 |
| | | Oil/Gas heat | \$0.00 |
| | | Water | \$0.00 |
| | | Building maintenance /yr | \$0.00 |
| | | misc /yr | \$0.00 |
| Admin Overhead In 15 | Admin (a) | Grade GS-12 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (b) | Grade GS-9 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (c) | Grade GS-7 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | | Office space /yr | \$0.00 |
| | | Office supplies /yr | \$0.00 |
| | | Utilities /yr | |
| | | Phone | \$0.00 |
| | | Electricity | \$0.00 |
| | | Oil/Gas heat | \$0.00 |
| | | Water | \$0.00 |
| | | Building maintenance /yr | \$0.00 |
| | | misc /yr | \$0.00 |
| Cost Cap/Finance In 16 | Auto-Calculation | | |
| Contract Cost In 19 | Contract vari cost PFH | \$1,499.00 | OAS Source per J Hess |
| | Contract fixed cost PFH | \$4,121.00 | OAS Source per J Hess |
| Daily Avail/Guar In 20a | Number guar hrs/yr | 0 | |
| | Hourly guar rate | \$0.00 | |
| Add'l Pilot Crew In 20b | Hrs/yr for extra crew | 300 | |
| | Hourly rate | \$38.00 | OAS Source per J Hess |
| Add'l Maint In 20c | Hours/yr added maint | 0 | |
| Airfrm Alt/Eqpt Install In 20d | Airframe alts | \$0.00 | |
| | Equipment instal | \$0.00 | |
| None Gov't Eqpt In 20e | Item a | \$0.00 | |
| | Item b | \$0.00 | |
| | Item c | \$0.00 | |
| Add'l Gnd Suprt In 20f | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |
| Travel&diem In 20g | Per diem rates | \$0.00 | |
| | misc costs | \$0.00 | |
| Servic Eqpt Milage In 20h | Equipment costs (not hourly) | | |
| | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |
| Airport Fees In 20i | Airport fees (ave) \$/trip | \$0.00 | |
| Other costs In 20j | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Aircraft | Based | Analysis | Version |
|----------------------------------|--------------------------|-----------------------|----------------------------|
| Bell 412 | NVO | GOGO COCO Adjusted | Alpha Purchase |
| Con'tr Admin Costs In 21 | Admin (a) | Grade GS-14 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (b) | Grade GS-13 | |
| | | Time allotment % | 8% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (c) | Grade GS-12 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (d) | Grade GS-9 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (e) | Grade GS-9 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| One-time Conv'n Costs In 22 | Material costs \$/yr | | \$0.00 |
| | | Grade GS-13 | |
| | | Time allocation % | 1% 2 wk train/52 wks X .20 |
| | | Moving | \$0.00 |
| | | Retraining | \$2,000.00 10K / 5 AC |
| | | Misc accounts \$/yr | \$0.00 |
| | | Grade GS-12 | |
| | | Time allocation % | 0% |
| | | Moving | \$0.00 |
| | | Retraining | \$13,400.00 67% X 20K |
| | | Misc accounts \$/yr | \$0.00 |
| | | Grade GS-9 | |
| | | Time allocation % | 0% |
| | | Moving | \$0.00 |
| | | Retraining | \$0.00 |
| | | Misc accounts \$/yr | \$0.00 |
| | Other 1-time costs \$/yr | | \$0.00 |
| Gain on Disp'l/Transfer In 23 | To be sold/trans | | no |
| | Value of aircraft | | \$0.00 |
| | Unpaid balance | | \$0.00 |
| | Cost of disposal | | \$0.00 |
| Conversion Differential In 28 | Auto-Calculation | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------------|--|---|---|--|
| \$154.50 | <<<< To line 1 >>>> | Total Costs Fuels and Lubricants (PFH) | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | Bell 412 | | Alpha |
| Based | | NVO | | Purchase |
| Fuel type | | Jet A | | |
| Consumption (gal/hr) | | 100 | | |
| % DOD | | 100% | | |
| unit cost \$/gal | | \$1.50 | | |
| | % other | 0% | | |
| unit cost \$/gal | | \$2.00 | | |
| DOD fuel cost | | \$150.00 | (Consumption (gal/hr) * % DOD * unit cost \$/gal DOD) | |
| Other fuel cost | | \$0.00 | (Consumption (gal/hr) * % other * unit cost \$/gal other) | |
| Total fuel cost PFH | | | \$150.00 | |
| Other consumables | | 3% | \$4.50 | |
| Total costs fuels&lubs PFH | | | \$154.50 | (Total fuel cost PFH+Tot lub cost PFH) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------------|--|-------------------------|----------|----------|---|
| \$401.89 | <<<< To line 2 >>>> | Crew Costs (PFH) | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | | Alpha |
| Based | NVO | | | | Purchase |
| Hours flown/yr | | 300 | | | |
| Nights from base/yr | | 0 | | | |
| Rental rate/day | | \$0.00 | | | |
| Days of car rental | | 0 | | | |
| per diem rate | | \$0.00 | | | (Nights from base/yr*per diem rate* |
| Number of crew | | 0 | | | Number of crew+car rate*days rented)/ |
| | | | \$0.00 | PFH | Hours flown/yr |
| Grade (for overtime) | GS-12 | | | | |
| Num hourly crew (a) | | 2 | | | |
| Straight time hrs/yr | | 2087 | | | |
| Hourly wage rate | | \$28.89 | | | |
| Overtime hrs/yr | | 0 | | | |
| Overtime factor | | 0 | | | (Num hourly crew (a)*(Straight time hrs/yr* |
| Overtime rate | | \$0.00 | | | Hourly wage rate+Overtime hrs/yr* |
| | | | \$401.89 | PFH | Overtime rate)/Hours flown/yr) |
| Num hourly crew (b) | | 0 | | | |
| Straight time hrs/yr | | 0 | | | |
| Hourly wage rate | | \$0.00 | | | |
| Overtime hrs/yr | | 0 | | | |
| Overtime factor | | 0 | | | (Num hourly crew (a)*(Straight time hrs/yr* |
| Overtime rate | | 0 | | | Hourly wage rate+Overtime hrs/yr* |
| | | | \$0.00 | PFH | Overtime rate)/Hours flown/yr) |
| Misc/yr | | | | | |
| Total variable crew costs | | \$0.00 | | | |
| Item b | | \$0.00 | | | |
| Item c | | \$0.00 | | | |
| | | | \$0.00 | PFH | ((Item a + Item b + Item c)/hrs) |
| | | | \$401.89 | PFH | (sum of items above) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|-----------------------|--|---|------|---|--|----------|
| \$0.00 | <<<< To line 3 >>>> | Total Aircraft Lease or Rental Costs (PFH) | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | Bell 412 | | | | | Alpha |
| Based | NVO | | | | | Purchase |
| Lease/Rent Flt Hrs/yr | | | | | | |
| a plane | | 0 | | | | |
| b plane | | 0 | | | | |
| c plane | | 0 | | | | |
| Total Lse/Rnt Hrs/yr | | | | 0 (a plane hrs +b plane hrs +c plane hrs) | | |
| Lease/Rent rates/hr | | | | | | |
| a plane | | \$0.00 | | | | |
| b plane | | \$0.00 | | | | |
| c plane | | \$0.00 | | | | |
| Annual Costs | | | | | | |
| a plane | | | | \$0.00 (a plane hrs* a plane rate) | | |
| b plane | | | | \$0.00 (b plane hrs* b plane rate) | | |
| c plane | | | | \$0.00 (c plane hrs* c plane rate) | | |
| Total Annual \$Ls/Rt | | | | \$0.00 (a plane \$/yr +b plane \$/yr + c plane \$/yr) | | |
| | | | | \$0.00 PFH (Total \$/yr / Total Flt hrs/yr) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|--------|------------------------------------|
| \$0.00 | <<<< To line 4 >>>> | Total Landing Fee and Tie-Down costs (PFH) | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | Bell 412 | | | |
| Based | NVO | | | version |
| Hours flown/yr | | 300 | | Alpha |
| Legs flown/yr | | 300 | | Purchase |
| Landing fee /td | | \$0.00 | | |
| Total landing fee/yr | | | \$0.00 | (landings*landing fee) |
| Nights from base/yr | | 0 | | |
| Tie-down fee/day | | \$0.00 | | |
| Total tie-down fee/yr | | | \$0.00 | (Nights form base*tie-down fee) |
| | | | | PFH ((Tot landing fee + |
| | | | | \$0.00 tot tie-down fee) / hrs/yr) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | | | | |
|--------------------------|---|---|------|--------------------------|--|--|--|---|--|
| \$342.60 | <<<< To line 5g >>>> | Total Maintenance and Spares Costs (PFH) | | | | | | | |
| Analysis | | GOGO | COCO | Adjusted | | | | version | |
| AIRCRAFT | Bell 412 | | | | | | | Alpha | |
| Based | NVO | | | | | | | Purchase | |
| Hours flown/yr | | 300 | | | | | | | |
| Maint labor man-hrsPFH | | 2.6000 | | | | | | | |
| Labor rate \$/hr | | \$24.22 | | | | | | | |
| | | | | \$62.97 PFH (5a) | | | | (Maint labor man-hrsPFH* Labor rate \$/hr) | |
| Res for retirement items | | | | \$170.20 PFH (5b) | | | | | |
| Res for eng overhl & rpr | | | | \$109.43 PFH (5c) | | | | | |
| Res for maj comp overhl | | | | \$0.00 PFH (5d) | | | | | |
| Res for refurb & misc | | | | \$0.00 PFH (5e) | | | | | |
| Unscheduled Maint | | | | \$0.00 PFH (5f) | | | | | |
| | | | | \$342.60 PFH | | | | (sum items 5a-5f) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|---------------------|----------------------|--------------------|---------------------------|---------------------|---|----------|
| \$149,282.64 | <<<< To line 9 >>>> | | Crew Costs (fixed) | | | |
| Analysis | | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | Bell 412 | | | | Alpha |
| Based | | NVO | | | | Purchase |
| Crew (a) | | | | | | |
| | Grade | GS-13 | | | | |
| | Salary | \$71,686.07 | | | | |
| | Time allotment % | 20% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Training costs \$/yr | \$3,300.00 | | | | |
| | Tot (a) | | | \$22,289.64 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Crew (b) | | | | | | |
| | Grade | GS-12 | | | | |
| | Salary | \$60,283.52 | | | | |
| | Time allotment % | 67% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Training costs \$/yr | \$10,000.00 | | | | |
| | Tot (b) | | | \$63,496.50 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Crew (c) | | | | | | |
| | Grade | GS-12 | | | | |
| | Salary | \$60,283.52 | | | | |
| | Time allotment % | 67% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Training costs \$/yr | \$10,000.00 | | | | |
| | Tot (c) | | | \$63,496.50 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| | | | | \$149,282.64 | Total crew costs (fixed) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | | |
|------------------------|---------|----------------------|----------------|---------------------|---------------------------------|----------|--|
| \$2,177,064.72 | | <<<< To line 10 >>>> | | Maintenance Costs | | | |
| Analysis | | GOGO COCO | | Adjusted | | version | |
| AIRCRAFT | | Bell 412 | | | | Alpha | |
| Based | | NVO | | | | Purchase | |
| Hours flown/yr | | 300 | | | | | |
| labor rate \$/hr | | \$24.22 | | | | | |
| Sched maint items | | | | | | | |
| Airframe,sys,instmt | hrs PFH | 1.97 | \$14,314.02 | (hrs*rate a*hrsPFH) | | | |
| Avionics | hrs PFH | 0.00 | \$0.00 | (hrs*rate b*hrsPFH) | | | |
| misc | hrs PFH | 0.00 | \$0.00 | (hrs*rate c*hrsPFH) | | | |
| item (d) | hrs PFH | 0.00 | \$0.00 | (hrs*rate d*hrsPFH) | | | |
| Material costs | | | | | | | |
| Airframe,sys,instmt | \$ PFH | \$198.69 | \$59,607.00 | | | | |
| Avionics | \$ PFH | \$0.00 | \$0.00 | | | | |
| misc | \$ PFH | \$0.00 | \$0.00 | | | | |
| item (d) | \$ PFH | \$0.00 | \$0.00 | | | | |
| Tot sched maint cost | | | | \$73,921.02 | (sum all maint) | | |
| Sched inspect items | | \$0.00 | | | | | |
| Airframe,sys,instmt | hrs PFH | \$170.02 | \$1,235,365.32 | (hrs*rate a*hrsPFH) | | | |
| item (b) | hrs PFH | \$119.43 | \$867,778.38 | (hrs*rate b*hrsPFH) | | | |
| item (c) | hrs PFH | \$0.00 | \$0.00 | (hrs*rate c*hrsPFH) | | | |
| item (d) | hrs PFH | \$0.00 | \$0.00 | (hrs*rate d*hrsPFH) | | | |
| Tot sched inspect cost | | | | \$2,103,143.70 | (sum all inspect items) | | |
| misc Tot\$ | | | | \$0.00 | | | |
| | | | | \$2,177,064.72 | (Sched maint+ Sched inspect) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|--------|-----------------------------|----------------|----------------|--------------------------|----------|---|
| \$0.00 | <<<< To line 11 >>>> | | Aircraft Lease | | | |
| | Analysis | | GOGO COCO | Adjusted | version | |
| | AIRCRAFT | Bell 412 | | | Alpha | |
| | Based | NVO | | | Purchase | |
| | Time period - years | | 10 | | | |
| | Costs (current year) | | | | | |
| | Base aircraft | \$2,650,000.00 | | | | |
| | Avionics | \$0.00 | | | | |
| | Total cost (on-line year) | | \$2,789,591.40 | (base+avionics inflated) | | |
| | Capital charge/yr | | \$0.00 | (total cost/time period) | | |
| | Lease charge/yr | | | | | |
| | depreciation | \$0.00 | | (wrksht 12) | | |
| | interest | \$170,165.08 | | (wrksht 16) | | |
| | Tot lease charge/yr | | \$170,165.08 | (dep+int) | | |
| | Lease/Purchase charge/yr | | | | | |
| | capital | \$278,959.14 | | (total cost/time period) | | |
| | interest | \$170,165.08 | | (wrksht 16) | | |
| | service charge rate | 0% | | | | |
| | service charge | \$0.00 | | (capital*rate) | | |
| | Tot lease /purchase chrg/yr | | \$449,124.22 | | | |
| | Cost free aircraft | | \$0.00 | (from above) | | |
| | | | \$0.00 | Purchase | | 1 |

WORKSHEET

(\$15,190.86)

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------|-----------------------|----------------|----------------|-------------------------------------|----------|
| \$69,765.81 | <<<< To line 13c >>>> | | Self-Insurance | | |
| Analysis | | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | | Alpha |
| Based | NVO | | | | Purchase |
| Value of aircraft | | \$2,789,591.40 | | | |
| Number of seats | | 4 | | | |
| Insurance factors | | | | | |
| | hull | 0.0225 | | (fm common data cht) | |
| | liability (base) | \$6,000.00 | | (fm common data cht) | |
| | liability (/seat) | \$250.00 | | (fm common data cht) | |
| Tot cost hull | | | \$62,765.81 | (value of aircraft*hull ins factor) | |
| Liability | | | | | |
| | base | \$6,000.00 | | | |
| | Tot per seat adder | \$1,000.00 | | (liability ins*num of seats) | |
| Tot cost liability | | | \$7,000.00 | (base+seat adder) | |
| Total self ins cost | | | \$69,765.81 | (Tot hull ins+Tot liability ins) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|------------------------|---|----------------------------|-------------|-------------|---------------------------|
| \$69,102.78 | <<<< To line 14 >>>> | Operations Overhead | | | |
| Analysis | | GOGO COCO | Adjusted | | version |
| AIRCRAFT | | Bell 412 | | | Alpha |
| Based | | NVO | | | Purchase |
| Admin (a) | | | | | |
| | Grade | GS-14 | | | |
| | Salary | \$84,711.80 | | | |
| | Time allotment % | 20% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | (Salary*Time allotment %+ |
| | Tot (a) | | \$22,440.16 | | Benefits %of salary+Misc) |
| Admin (b) | | | | | |
| | Grade | GS-11 | | | |
| | Salary | \$50,299.39 | | | |
| | Time allotment % | 20% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (b) | | \$13,324.31 | | of salary+Misc) |
| Admin (c) | | | | | |
| | Grade | GS-11 | | | |
| | Salary | \$50,299.39 | | | |
| | Time allotment % | 20% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (c) | | \$13,324.31 | | of salary+Misc) |
| Admin (d) | | | | | |
| | Grade | GS-9 | | | |
| | Salary | \$41,570.31 | | | |
| | Time allotment % | 20% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (d) | | \$11,011.97 | | of salary+Misc) |
| Admin (e) | | | | | |
| | Grade | GS-7 | | | |
| | Salary | \$33,982.75 | | | |
| | Time allotment % | 20% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (e) | | \$9,002.03 | | of salary+Misc) |
| Tot personnel | | | | \$69,102.78 | (sum personnel items) |
| Hanger rental | | \$0.00 | | | |
| Home base tie-down fee | | \$0.00 | | | |
| Office space | | \$0.00 | | | |
| Office supplies | | \$0.00 | | | |
| Utilities | | | | | |
| | Phone | \$0.00 | | | |
| | Electricity | \$0.00 | | | |
| | Oil/Gas heat | \$0.00 | | | |
| | Water | \$0.00 | | | |
| Building maintenance | | \$0.00 | | | |
| misc | | \$0.00 | | | |
| Tot non-personnel | | | | \$0.00 | (sum non-persnrl items) |
| | | | | \$69,102.78 | Total ops ovrrhd costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|---|---------------|----------|--|
| \$0.00 | <<<< To line 15 >>>> Administrative Overhead | | | |
| Analysis | | GOGO/COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | Alpha |
| Based | NVO | | | Purchase |
| Admin (a) | | | | |
| | Grade GS-12 | | | |
| | Salary | \$60,283.52 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (a) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (b) | | | | |
| | Grade GS-9 | | | |
| | Salary | \$41,570.31 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (b) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (c) | | | | |
| | Grade GS-7 | | | |
| | Salary | \$33,982.75 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (c) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | Tot personnel | | \$0.00 | |
| Office space | | \$0.00 | | |
| Office supplies | | \$0.00 | | |
| Utilities | | | | |
| | Phone | \$0.00 | | |
| | Electricity | \$0.00 | | |
| | Oil/Gas heat | \$0.00 | | |
| | Water | \$0.00 | | |
| Building maintenance | | \$0.00 | | |
| misc | | \$0.00 | | |
| Tot non-personnel | | | \$0.00 | |
| | | | \$0.00 | Total admin overhead costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------------|----------------------|------------------------------------|--------------|----------|
| \$101,854.67 | <<<< To line 16 >>>> | Cost of Capital or Finance Expense | | |
| | | GOGO COCO | | |
| Analysis | | | Adjusted | version |
| AIRCRAFT | Bell 412 | | | Alpha |
| Based | NVO | | | Purchase |
| Value of aircraft | | \$2,789,591.40 | | |
| Time period - years | | 10 | | |
| Interest rate | | 6.100% | | |
| Annual levelized finan cost | | | \$101,854.67 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-------------------------|----------------------|-----------------------------------|--------------|----------|
| \$1,686,000.00 | <<<< To line 19 >>>> | Total Contract Cost | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | Alpha |
| Based | NVO | | | Purchase |
| Hours flown/yr | | 300 | | |
| Contract vari cost PFH | | \$1,499.00 | | |
| Contract fixed cost PFH | | \$4,121.00 | | |
| Total cost PFH | | \$5,620.00 | (vari+fixed) | |
| Total cost | | \$1,686,000.00 (tot cost PFH*Hrs) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|----------|----------|
| \$0.00 | <<<< To line 20a >>>> | Daily Availability/Guarantee hours | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | Alpha |
| Based | NVO | | | Purchase |
| Number guar hrs/yr | | 0 | | |
| Hourly guar rate | | \$0.00 | | |
| Tot cost of guarantee | | \$0.00 (guar hrs/yr*hourly rate) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|--|----------|----------|
| \$11,400.00 | <<<< To line 20b >>>> | Additional Pilot and Crew Charges | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | Alpha |
| Based | NVO | | | Purchase |
| Hrs/yr for extra crew | | 300 | | |
| Hourly rate | | \$38.00 | | |
| Tot cost extra crew | | \$11,400.00 (hrs/yr*hourly rate) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|--|---------------------------------------|--------|----------------------|
| \$0.00 | <<<< To line 20c >>>> | Additional Maintenance Support | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | Bell 412 | | | version |
| Based | NVO | | | Alpha |
| Hours/yr added maint | | | 0 | Purchase |
| Hourly rate | | \$24.22 | | |
| Tot added maint cost | | | \$0.00 | (hrs/yr*hourly rate) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|--|--|---------------|-----------------------------------|
| \$0.00 | <<<< To line 20d >>>> | Airframe Alterations/Equipment Installation | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | Alpha |
| Based | NVO | | | Purchase |
| Time period - yrs | | 10 | | |
| Airframe alts | | \$0.00 | | |
| Equipment instal | | \$0.00 | | |
| tot alt/install cost | | | \$0.00 | (airframe alts+equip install)/yrs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------------------|--|------|---|----------|----------|
| \$0.00 | <<<< To line 20e >>>> | | Equipment not Provided by Government | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | | Alpha |
| Based | NVO | | | | Purchase |
| Time period - yrs | | | 10 | | |
| | Item a | | \$0.00 | | |
| | Item b | | \$0.00 | | |
| | Item c | | \$0.00 | | |
| tot equipment cost | | | \$0.00 (item a+Item b+item c)/yrs | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|--------------------------|--|--|----------|----------|
| \$0.00 | <<<< To line 20f >>>> | Additional Ground Service Support | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | Alpha |
| Based | NVO | | | Purchase |
| | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| tot grnd serv spprt cost | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-------------------------|--|----------------------------|---------------|-------------------------|
| \$0.00 | <<<< To line 20g >>>> | Travel and per Diem | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | Bell 412 | | | version |
| Based | NVO | | | Alpha |
| Nights from base/yr | | | 0 | Purchase |
| Per diem rates | | | \$0.00 | |
| misc costs | | | \$0.00 | |
| tot trav&per diem costs | | | \$0.00 | (#nights*per diem+misc) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|------------------------------|--|--------------------------------------|----------|----------|
| \$0.00 | <<<< To line 20h >>>> | Service Equipment Mileage | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | Alpha |
| Based | NVO | | | Purchase |
| Equipment costs (not hourly) | | | | |
| | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| tot eqpt costs | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------|----------------------------|----------|--------------|----------------------------|----------|
| \$0.00 | <<<< To line 20i >>>> | | Airport Fees | | |
| | Analysis | | GOGO COCO | Adjusted | version |
| | AIRCRAFT | Bell 412 | | | Alpha |
| | Based | NVO | | | Purchase |
| | Legs flown/yr | | 300 | | |
| | Airport fees (ave) \$/trip | | \$0.00 | | |
| | tot airport/yr | | | \$0.00 (trips/yr*\$ /trip) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------|--|-------------------------------|----------|----------|
| \$0.00 | <<<< To line 20j >>>> | Other Costs | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | Alpha |
| Based | NVO | | | Purchase |
| Other costs | | | | |
| | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| tot other costs | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|------------|---------------------|----------------------|------|-------------------------------|---|----------|
| \$7,595.86 | | <<<< To line 21 >>>> | | Contract Administrative Costs | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | Bell 412 | | | | | Alpha |
| Based | NVO | | | | | Purchase |
| Admin (a) | | | | | | |
| | Grade | GS-14 | | | | |
| | Salary | \$84,711.80 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (a) | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Admin (b) | | | | | | |
| | Grade | GS-13 | | | | |
| | Salary | \$71,686.07 | | | | |
| | Time allotment % | 8% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (b) | | | \$7,595.86 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Admin (c) | | | | | | |
| | Grade | GS-12 | | | | |
| | Salary | \$60,283.52 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (c) | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Admin (d) | | | | | | |
| | Grade | GS-9 | | | | |
| | Salary | \$41,570.31 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (d) | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Admin (e) | | | | | | |
| | Grade | GS-9 | | | | |
| | Salary | \$41,570.31 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (e) | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| | | | | \$7,595.86 | Total admin overhead costs | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|---------------------------------------|---|---------------------------------------|------|----------|
| \$1,611.69 | <<<< To line 22 >>>> | One Time Conversion Costs | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | Bell 412 | | | version |
| Based | NVO | | | Alpha |
| Time period - yrs | 10 | | | Purchase |
| Material costs \$/yr | | \$0.00 | | |
| | | | | |
| Grade GS-13 | | | | |
| Time allocation % | 1% | | | |
| Severance | \$71,686.07 | | | |
| Moving | \$0.00 | | | |
| Retraining | \$2,000.00 | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (a) | | \$2,716.86 (sever+move+retrain+misc) | | |
| | | | | |
| Grade GS-12 | | | | |
| Time allocation % | 0% | | | |
| Severance | \$60,283.52 | | | |
| Moving | \$0.00 | | | |
| Retraining | \$13,400.00 | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (b) | | \$13,400.00 (sever+move+retrain+misc) | | |
| | | | | |
| Grade GS-9 | | | | |
| Time allocation % | 0% | | | |
| Severance | \$41,570.31 | | | |
| Moving | \$0.00 | | | |
| Retraining | \$0.00 | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (c) | | \$0.00 (sever+move+retrain+misc) | | |
| Other 1-time costs \$/yr | | \$0.00 | | |
| Total conversion costs | | \$16,116.86 (sum of above col) | | |
| Annual allocation of conversion costs | | \$1,611.69 (Tot costs/hrs) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|---|--|---------------|-----------------------------|
| \$0.00 | <<<< To line 23 >>>> | Gain on Disposal/Transfer of Assets | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Bell 412 | | | Alpha |
| Based | NVO | | | Purchase |
| Time period - yrs | | 10 | | |
| To be sold/trans | | no | | |
| Value of aircraft | | \$0.00 | | |
| Unpaid balance | | \$0.00 | | |
| Equity in aircraft | | | \$0.00 | (value-unpaid bal) |
| Cost of disposal | | | \$0.00 | |
| Tot gain | | | \$0.00 | (equity - cost of disposal) |
| Gain per time period | | | \$0.00 | (tot gain/yrs) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|-------------------------|---|--------------------------------|--------------|-----------------------|----------------|------------|
| \$3,389.52 | <<<< To line 28 >>>> | Conversion Differential | | | | |
| Analysis | | GOGO COCO | Adjusted | | version | |
| AIRCRAFT | Bell 412 | | | | Alpha | |
| Based | NVO | | | | Purchase | |
| Time period - years | | 10 | | | | |
| Crew cost PFH | | \$401.89 | | | | |
| Hours flown/yr | | 300 | | | | |
| Tot crew cost (vari) | | | \$120,567.04 | (Crew cost PFH*hours) | | |
| Tot crew cost (fix) | | | \$149,282.64 | (line 9) | | |
| Ops personnel cost | | | \$69,102.78 | (wksht 14) | | |
| Adm personnel cost | | | \$0.00 | (wksht 15) | | |
| Tot personnel (Convert) | | | | | \$338,952.46 | () |
| New cap acqustn costs | | | | | \$2,789,591.40 | (wksht 11) |
| | A | \$0.00 | | | | |
| | B | \$3,389.52 | | | | |
| | C | \$69,739.79 | | | | |
| | D | \$3,389.52 | | | | |
| | | | | | \$3,390 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Non-Adjusted XOXO Costs | | | | | |
|-------------------------|------------------------|-----------------|------------------------------|------------------------------|--|
| | AIRCRAFT Based | Bell 412 NVO | version Alpha Purchase | | |
| | Gov't cost | Contractor cost | | | |
| | 1st yr | 1st yr | | | |
| variable costs PFH | \$899 | \$1,455 | | | |
| fixed cost PFH | \$8,734 | \$4,121 | | | |
| total costs PFH | \$9,633 | \$5,576 | | | |
| Flight Hours per Yr | 300 | | | 10 year analysis | |
| | Costs per flight hr | Total Costs | Difference from GOGO | Life of Model Total costs | Life of Model Average cost per flight hr |
| | 1st yr | 1st yr | 1st yr | | |
| GOGO | \$9,633 | \$2,889,888 | \$0 | \$33,176,826 | \$11,059 |
| COGO | \$5,020 | \$1,505,998 | (\$1,383,890) | \$17,886,135 | \$5,962 |
| GOCO | \$10,189 | \$3,056,778 | \$166,890 | \$35,110,125 | \$11,703 |
| COCO | \$5,576 | \$1,672,888 | (\$1,217,000) | \$19,819,435 | \$6,606 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Decision Line | | | | | | |
|-------------------|----|--------------------|------------------------------------|--|---------------------------------------|---|
| AIRCRAFT Based | | Bell 412 NVO | version Alpha Purchase | | 10 year analysis | |
| Initial Structure | to | Terminal Structure | First Year Conversion Differential | First Year Review Line (positive value favors col 1 structure) | Life of Model Conversion Differential | Life of Model Decision Line (positive value favors col 1 structure) |
| GOGO | to | COCO | \$3,390 | (\$1,213,611) | \$41,223 | (\$13,316,168) |
| COGO | to | COCO | \$3,390 | \$170,279 | \$41,223 | \$1,974,523 |
| GOCO | to | COCO | \$0 | (\$1,383,890) | \$0 | (\$15,290,691) |
| COCO | to | COCO | \$0 | \$0 | \$0 | \$0 NA |
| GOGO | to | GOCO | \$3,390 | \$170,279 | \$41,223 | \$1,974,523 |
| COGO | to | GOCO | \$73,129 | \$1,623,909 | \$867,486 | \$18,091,477 |
| GOCO | to | GOCO | \$0 | \$0 | \$0 | \$0 NA |
| COCO | to | GOCO | \$69,740 | \$1,453,630 | \$826,263 | \$16,116,953 |
| GOGO | to | COGO | \$0 | (\$1,383,890) | \$0 | (\$15,290,691) |
| COGO | to | COGO | \$0 | \$0 | \$0 | \$0 NA |
| GOCO | to | COGO | \$3,390 | (\$1,547,391) | \$41,223 | (\$17,182,767) |
| COCO | to | COGO | \$3,390 | (\$163,500) | \$41,223 | (\$1,892,076) |
| GOCO | to | GOCO | \$0 | \$0 | \$0 | \$0 NA |
| COGO | to | GOGO | \$69,740 | \$1,453,630 | \$826,263 | \$16,116,953 |
| GOCO | to | GOGO | \$3,390 | (\$163,500) | \$41,223 | (\$1,892,076) |
| COCO | to | GOGO | \$73,129 | \$1,290,130 | \$867,486 | \$14,224,877 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

Aircraft
PC-12

Based
NVO

Analysis
GOGO | COCO
Adjusted

1st Year
Values

Version
NVO-PC12
Purchase

DIRECT OPERATION COSTS PER FLIGHT HOUR (PFH)

| | | | |
|----|---|---------|----------|
| 1. | Fuel and Lubricants | | \$92.70 |
| 2. | Crew Cost (PFH) | | \$0.00 |
| 3. | Aircraft Lease or Rental | | \$0.00 |
| 4. | Landing Fee and Tie-Down | | \$0.00 |
| 5. | Maintenance and Spares | | |
| a. | Labor cost (\$ per hour multiplied by man-hours PFH) | \$25.92 | |
| b. | Reserve for retirement items | \$70.48 | |
| c. | Reserve for engine overhaul and repairs | \$1.76 | |
| d. | Reserve for major component overhaul and other life-limited items | \$0.00 | |
| e. | Reserve for aircraft refurbishment and miscellaneous | \$0.00 | |
| f. | Unscheduled maintenance | \$0.00 | |
| g. | Total direct maintenance and spares | | \$98.16 |
| 6. | Total Direct Operating Cost PFH | | \$190.86 |
| 7. | Flight Hours for PWS | | 250 |
| 8. | TOTAL DIRECT OPERATING COST (line 6 multiplied by line 7) | | \$47,714 |

FIXED OPERATION ANNUAL COST

| | | | |
|-----|--|----------|------------|
| 9. | Crew Costs | | \$197,074 |
| 10. | Maintenance Costs | | \$20,464 |
| 11. | Aircraft Lease | | \$0 |
| 12. | Depreciation | | (\$60,223) |
| 13. | Self-Insurance Costs | | |
| a. | Liability | \$8,900 | |
| b. | Casualty | \$14,098 | |
| c. | Total Self-Insurance Cost | | \$22,998 |
| 14. | Operations Overhead | | \$65,648 |
| 15. | Administrative Overhead | | \$0 |
| 16. | Cost of Capital or Finance Expense | | \$156,359 |
| 17. | TOTAL FIXED OPERATING ANNUAL COST (sum lines 9 thru 16) | | \$402,319 |
| 18. | TOTAL IN-HOUSE PERFORMANCE COST (line 8 + line 17) | | \$450,033 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

Aircraft
PC-12

Based
NVO

Analysis
GOGO|COCO
Adjusted

1st Year
Values

Version
NVO-PC12
Purchase

CONTRACT AVIATION OPERATIONS COST WORKSHEET

| | | |
|-----|--|------------------|
| 19. | Contract Cost (rate*hrs/yr) | \$581,750 |
| 20. | Cost Construction to Meet PWS | |
| a. | Daily availability/guarantee hours | \$0 |
| b. | Additional pilot and crew charges | \$10,000 |
| c. | Additional maintenance support | \$0 |
| d. | Airframe alteration/equipment installation | \$0 |
| e. | Equipment not provided by Government | \$0 |
| f. | Additional ground service support | \$0 |
| g. | Travel and per diem | \$0 |
| h. | Service equipment mileage | \$0 |
| i. | Airport fees | \$0 |
| j. | Other costs | \$0 |
| 21. | Contract Administration Costs | \$7,596 |
| 22. | One-time Conversion Costs | \$0 |
| 23. | Gain on Disposal/Transfer of Assets (deduct cost) | \$0 |
| 24. | Federal Income Tax (line 19*2% deduct cost) | (\$11,635) |
| 25. | TOTAL CONVERSION & ADMINISTRATIVE COST (sum lines 19-25) | \$587,711 |

IN-HOUSE VS CONTRACT PERFORMANCE

10 year analysis

| | Performance periods | | | | TOTAL |
|---|---------------------|-----------|-----------|-------------|-------------|
| | 1st (mil) | 2nd (mil) | 3rd (mil) | add'l (mil) | |
| 26. In-house Performance | \$0.47 | \$0.46 | \$0.46 | \$3.11 | \$4,503,462 |
| 27. Contract Performance | \$0.62 | \$0.63 | \$0.65 | \$5.06 | \$6,965,464 |
| 28. Conversion Differential | | | | | \$31,952 |
| 29. Adjusted Total Cost of Contract Performance | | | | | \$6,997,416 |
| 30. Decision (line 29 minus line 26) | | | | | \$2,493,954 |
| 31. COST COMPARISON DECISION: | Accomplish Work | | | | |
| | In-house | | | Yes | |
| | contract | | | No | |

Analysis Model Developed by
David D. Darling, 303-279-7458
Golden CO 80401,
Version April 2000

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Common Data

| | | | | | |
|---------------------------------------|--------------|--|--|--|--|
| Version | NVO-PC12 | | | | |
| Aircraft | PC-12 | | | | |
| Based | NVO | | | | |
| Hours flown/yr | 250 | | | | |
| Legs flown/yr | 250 | | | | |
| Nights from base/yr | 0 | | | | |
| Salary Benefits | 32.45% | | | | |
| Maint labor rate-\$/hr | \$24.22 | | | | |
| Period of analysis-yrs (max 10 years) | 10 | | | | |
| Current year | 2000 | | | | |
| On-line year | 2002 | | | | |
| Interest rate | 6.100% | | | | |
| Unadjusted analysis? (e.g. startup) | no | | | | |
| Government owned? | beginning | | | | |
| Government operated? | beginning | | | | |
| Analysis | GOGO to COCO | | | | |

| | | | |
|--------------------|---------------|--------------|----------|
| Payment instrument | is it "free"? | lease years? | purchase |
| | no | 0 | yes |

Insurance Calculations

| | | | | | |
|-------|-----------|---|--------|------------|----------|
| PC-12 | turboprop | 3 | 0.0055 | \$8,000.00 | \$300.00 |
|-------|-----------|---|--------|------------|----------|

| aircraft | eng type | seats | eng type | hull ins factor | liability ins base | liability ins plus/seat |
|----------|------------|-------|-------------------|-----------------|--------------------|-------------------------|
| Bell 412 | helicopter | 4 | helicopter | 2.250% | \$6,000 | \$250 |
| PC-12 | turboprop | 3 | jet | 0.300% | \$14,000 | \$250 |
| | | | single eng piston | 1.100% | \$575 | \$250 |
| | | | turboprop | 0.550% | \$8,000 | \$300 |
| | | | Twin eng piston | 1.100% | \$750 | \$250 |

NOTE: MUST SORT DATA
(COLS A,B&C) IN
ASCENDING ORDER BY
COL "A"

Source: Based on
PWS
requirements.

I

NOTE: MUST SORT
DATA (COLS A, B, C
& D) IN ASCENDING
ORDER BY COL "A"

Source:
GSA Aircraft
Management
Policy Div,
Transmittal
Letter Sep 15,
1997

II

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Update Data

| Inflation factors from OMB | | 1 | | 2 | |
|----------------------------|----|----------------|-------|---------------|-------|
| | | wages/salaries | accum | non-pay items | accum |
| 2000 | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| 2001 | 1 | 3.0% | 3.0% | 2.6% | 2.6% |
| 2002 | 2 | 3.0% | 6.1% | 2.6% | 5.3% |
| 2003 | 3 | 3.0% | 9.3% | 2.6% | 8.0% |
| 2004 | 4 | 3.0% | 12.6% | 2.6% | 10.8% |
| 2005 | 5 | 3.0% | 15.9% | 2.6% | 13.7% |
| 2006 | 6 | 3.0% | 19.4% | 2.6% | 16.6% |
| 2007 | 7 | 3.0% | 23.0% | 2.6% | 19.7% |
| 2008 | 8 | 3.0% | 26.7% | 2.6% | 22.8% |
| 2009 | 9 | 3.0% | 30.5% | 2.6% | 26.0% |
| 2010 | 10 | 3.0% | 34.4% | 2.6% | 29.3% |
| 2011 | 11 | 3.0% | 38.4% | 2.6% | 32.6% |
| 2012 | 12 | 3.0% | 42.6% | 2.6% | 36.1% |
| 2013 | 13 | 3.0% | 46.9% | 2.6% | 39.6% |
| 2014 | 14 | 3.0% | 51.3% | 2.6% | 43.2% |

Source: Inflation factors; OMB
transmittal number 17;Feb 13,
1997.

III

Basic National Payscale 1998

| | |
|-------|-----------|
| GS-10 | \$39,811 |
| GS-11 | \$47,412 |
| GS-12 | \$56,823 |
| GS-13 | \$67,571 |
| GS-14 | \$79,849 |
| GS-15 | \$86,652 |
| GS-2 | \$16,851 |
| GS-3 | \$18,996 |
| GS-4 | \$21,324 |
| GS-5 | \$23,860 |
| GS-6 | \$26,593 |
| GS-7 | \$32,032 |
| GS-8 | \$32,728 |
| GS-9 | \$39,184 |
| SES-1 | \$104,577 |
| SES-2 | \$109,531 |
| SES-3 | \$114,486 |
| SES-4 | \$120,706 |
| SES-5 | \$124,817 |
| SES-6 | \$124,817 |

NOTE: MUST SORT DATA
(COLS A&B) IN ASCENDING
ORDER BY COL "A"

IV

Increment over Basic National Payscale

| | |
|-----|-------|
| DEN | 2.88% |
| DSW | 0.00% |
| HUR | 0.00% |
| MTR | 0.00% |
| NVO | 0.00% |
| SNR | 2.11% |

NOTE: MUST
SORT DATA
(COLS A&B) IN
ASCENDING
ORDER BY COL
"A"

V

Source: OMP, 1998

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Aircraft
PC-12

Based
NVO

Analysis
GOGO|COCO
Adjusted

Version
NVO-PC12
Purchase

Line-by-Line Front End A-76

| | | START | | NOTES |
|------------------|--|-------------|------------|------------------------|
| | | V | V | |
| Fuels & Lubs | Fuel type | Jet A | | |
| In 1 | Consumption (gal/hr) | | 60 | |
| | % DOD | | 100% | |
| | unit cost \$/gal DOD | | \$1.50 | |
| | unit cost \$/gal COMM | | \$2.00 | |
| | Other consumables | | 3% | oil |
| Crew Costs | Rental rate/day | | \$0.00 | |
| In 2 | per diem rate | | \$0.00 | |
| | Number of crew | | 2 | |
| | Grade (for overtime) | GS-12 | | |
| | Num hourly crew (a) | | 0 | |
| | Straight time hrs/yr | | 2087 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime factor | | 0 | |
| | Num hourly crew (b) | | 0 | |
| | Straight time hrs/yr | | 0 | |
| | Hourly wage rate | | \$0.00 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime rate | | 0 | |
| | Misc/yr | | | |
| | Total variable crew costs | | \$0.00 | |
| | Item b | | \$0.00 | |
| | Item c | | \$0.00 | |
| Lease/Rent | Lease/Rent Flt Hrs/yr | | | |
| In 3 | | a plane | 0 | |
| | | b plane | 0 | |
| | | c plane | 0 | |
| | Lease/Rent rates/hr | | | |
| | | a plane | \$0.00 | |
| | | b plane | \$0.00 | |
| | | c plane | \$0.00 | |
| Landing/Tie-down | Landing fee /td | | \$0.00 | |
| In 4 | Tie-down fee/day | | \$0.00 | |
| Maint/Spare | Maint labor man-hrs PFH | | 1.0700 | NVO FF Pers costs |
| In 5 | Res for engine restoration PFH | | \$70.48 | AC Cost evaluator |
| | Res for dynamic component & life limited parts PFH | | \$1.76 | AC Cost Evaluator Prop |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| Crew Cost Fixed | Crew (a) | | | |
| In 9 | | Grade GS-13 | | |
| | Time allotment % | | 33% | |
| | Training costs \$/yr | | \$1,250.00 | AC Cost Evaluator |
| | Crew (b) | | | divided by 50% |
| | | Grade GS-12 | | |
| | Time allotment % | | 100% | |
| | Training costs \$/yr | | \$2,400.00 | AC Cost Evaluator |
| | Crew (c) | | | |
| | | Grade GS-12 | | |
| | Time allotment % | | 100% | |
| | Training costs \$/yr | | \$2,400.00 | AC Cost Evaluator |
| Maint Cost | Airframe,sys,instmt hrs PFH | | 1.07 | AC Cost Evaluator |
| In 10 | Avionics hrs PFH | | 0.00 | |
| | misc hrs PFH | | 0.00 | |
| | item (d) hrs PFH | | 0.00 | |
| | Material costs | | \$0.00 | |
| | Airframe,sys,instmt \$ PFH | | \$55.94 | AC Cost Evaluator |
| | Avionics \$ PFH | | \$0.00 | |
| | misc \$ PFH | | \$0.00 | |
| | item (d) \$ PFH | | \$0.00 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|-----------------|--------------|-----------------|----------------|
| <u>Aircraft</u> | <u>Based</u> | <u>Analysis</u> | <u>Version</u> |
| PC-12 | NVO | GOGO COCO | NVO-PC12 |
| | | Adjusted | Purchase |

| | | | |
|--------------------------|------------------------------------|----------------|---------------------------------|
| | Sched inspect items | \$0.00 | |
| | Airframe,sys,instmt hrs PFH | 0.00 | |
| | item (b) hrs PFH | 0.00 | |
| | item (c) hrs PFH | 0.00 | |
| | item (d) hrs PFH | 0.00 | |
| | misc Tot\$ | \$0.00 | |
| | | | |
| Aircraft Lease In 11 | Costs (current year) | | |
| | Base aircraft | \$2,435,000.00 | |
| | Avionics | \$0.00 | |
| | service charge rate | 0% | |
| | | | |
| Depreciation In 12 | Value of aircraft | | |
| | Sale w/ avionics | \$3,165,500.00 | |
| | | | |
| | Custom Depreciation? | no | If "yes" - list residual values |
| | custom seq (per yr) | | ----- START HERI 2002 |
| | | | |
| | | | |
| | Equation? | no | If "yes" - list coefficients |
| | Equation coef | value | ----- START HERE |
| | a | 0 | |
| | b | 0 | |
| | c | 0 | |
| | d | 0 | |
| | e | 0 | |
| | f | 0 | |
| | FORM: $y=ax^5+bx^4+cx^3+dx^2+ex+f$ | | |
| | | | |
| Self-Insurance In 13c | Auto-Calculation | | |
| | | | |
| Ops Overhead In 14 | Admin (a) | | |
| | Grade | GS-14 | |
| | Time allotment % | 19% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (b) | | |
| | Grade | GS-11 | |
| | Time allotment % | 19% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (c) | | |
| | Grade | GS-11 | |
| | Time allotment % | 19% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (d) | | |
| | Grade | GS-9 | |
| | Time allotment % | 19% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (e) | | |
| | Grade | GS-7 | |
| | Time allotment % | 19% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Hangar rental /yr | \$0.00 | |
| | Home base tie-down fee /yr | \$0.00 | |
| | Office space /yr | \$0.00 | |
| | Office supplies /yr | \$0.00 | |
| | Utilities per yr | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Aircraft | Based | Analysis | Version |
|-----------------------------------|------------------------------|-------------------------|----------------------|
| PC-12 | NVO | GOGO COCO Adjusted | NVO-PC12 Purchase |
| | | Phone | \$0.00 |
| | | Electricity | \$0.00 |
| | | Oil/Gas heat | \$0.00 |
| | | Water | \$0.00 |
| | Building maintenance /yr | | \$0.00 |
| | misc /yr | | \$0.00 |
| Admin Overhead In 15 | Admin (a) | Grade GS-12 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (b) | Grade GS-9 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (c) | Grade GS-7 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Office space /yr | | \$0.00 |
| | Office supplies /yr | | \$0.00 |
| | Utilities /yr | | |
| | | Phone | \$0.00 |
| | | Electricity | \$0.00 |
| | | Oil/Gas heat | \$0.00 |
| | | Water | \$0.00 |
| | Building maintenance /yr | | \$0.00 |
| | misc /yr | | \$0.00 |
| Cost Cap/Finance In 16 | Auto-Calculation | | |
| Contract Cost In 19 | Contract vari cost PFH | \$575.00 | OAS Source J Hess |
| | Contract fixed cost PFH | \$1,752.00 | OAS Source J Hess |
| Daily Avail/Guar In 20a | Number guar hrs/yr | 0 | |
| | Hourly guar rate | \$0.00 | |
| Add'l Pilot Crew In 20b | Hrs/yr for extra crew | 250 | |
| | Hourly rate | \$40.00 | |
| Add'l Maint In 20c | Hours/yr added maint | 0 | |
| Airfrm Alt/Eqpt Install In 20d | Airframe alts | \$0.00 | |
| | Equipment instal | \$0.00 | |
| None Gov't Eqpt In 20e | Item a | \$0.00 | |
| | Item b | \$0.00 | |
| | Item c | \$0.00 | |
| Add'l Gnd Suprt In 20f | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |
| Travel&/diem In 20g | Per diem rates | \$0.00 | |
| | misc costs | \$0.00 | |
| Servic Eqpt Milage In 20h | Equipment costs (not hourly) | | |
| | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |
| Airport Fees In 20i | Airport fees (ave) \$/trip | \$0.00 | |
| Other costs In 20j | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| <u>Aircraft</u> | <u>Based</u> | <u>Analysis</u> | <u>Version</u> |
|----------------------------------|--------------------------|--|----------------------|
| PC-12 | NVO | GOGO COCO Adjusted | NVO-PC12 Purchase |
| Con't'r Admin Costs In 21 | Admin (a) | Grade GS-14 Time allotment % 0% Misc accounts \$/yr \$0.00 | |
| | Admin (b) | Grade GS-13 Time allotment % 8% Misc accounts \$/yr \$0.00 | |
| | Admin (c) | Grade GS-12 Time allotment % 0% Misc accounts \$/yr \$0.00 | |
| | Admin (d) | Grade GS-9 Time allotment % 0% Misc accounts \$/yr \$0.00 | |
| | Admin (e) | Grade GS-9 Time allotment % 0% Misc accounts \$/yr \$0.00 | |
| One-time Conv'n Costs In 22 | Material costs \$/yr | Grade GS-12 Time allocation % 0% Moving \$0.00 Retraining \$0.00 Misc accounts \$/yr \$0.00 | |
| | | Grade GS-12 Time allocation % 0% Moving \$0.00 Retraining \$0.00 Misc accounts \$/yr \$0.00 | |
| | | Grade GS-9 Time allocation % 0% Moving \$0.00 Retraining \$0.00 Misc accounts \$/yr \$0.00 | |
| | Other 1-time costs \$/yr | \$0.00 | |
| Gain on Disp'l/Transfer In 23 | To be sold/trans | no | |
| | Value of aircraft | \$0.00 | |
| | Unpaid balance | \$0.00 | |
| | Cost of disposal | \$0.00 | |
| Conversion Differential In 28 | Auto-Calculation | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | | |
|----------------------------|---------------------|---|---|--|--|----------|--|
| \$92.70 | <<<< To line 1 >>>> | Total Costs Fuels and Lubricants (PFH) | | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version | |
| AIRCRAFT | | PC-12 | | | | NVO-PC12 | |
| Based | | NVO | | | | Purchase | |
| Fuel type | | Jet A | | | | | |
| Consumption (gal/hr) | | | 60 | | | | |
| % DOD | | | 100% | | | | |
| unit cost \$/gal | | | \$1.50 | | | | |
| | % other | | 0% | | | | |
| unit cost \$/gal | | | \$2.00 | | | | |
| DOD fuel cost | | \$90.00 | (Consumption (gal/hr) * % DOD * unit cost \$/gal DOD) | | | | |
| Other fuel cost | | \$0.00 | (Consumption (gal/hr) * % other * unit cost \$/gal other) | | | | |
| Total fuel cost PFH | | | \$90.00 | | | | |
| Other consumables | | 3% | \$2.70 | | | | |
| Total costs fuels&lubs PFH | | | \$92.70 | (Total fuel cost PFH+Tot lub cost PFH) | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | | | | |
|---------------------------|--|-------------------------|------|----------|-----|--|--|--|---|
| \$0.00 | <<<< To line 2 >>>> | Crew Costs (PFH) | | | | | | | |
| Analysis | | GOGO | COCO | Adjusted | | | | | version |
| AIRCRAFT | PC-12 | | | | | | | | NVO-PC12 |
| Based | NVO | | | | | | | | Purchase |
| Hours flown/yr | | 250 | | | | | | | |
| Nights from base/yr | | 0 | | | | | | | |
| Rental rate/day | | \$0.00 | | | | | | | |
| Days of car rental | | 0 | | | | | | | |
| per diem rate | | \$0.00 | | | | | | | (Nights from base/yr*per diem rate* |
| Number of crew | | 2 | | | | | | | Number of crew+car rate*days rented)/ |
| | | | | \$0.00 | PFH | | | | Hours flown/yr |
| Grade (for overtime) | GS-12 | | | | | | | | |
| Num hourly crew (a) | | 0 | | | | | | | |
| Straight time hrs/yr | | 2087 | | | | | | | |
| Hourly wage rate | | \$28.89 | | | | | | | |
| Overtime hrs/yr | | 0 | | | | | | | |
| Overtime factor | | 0 | | | | | | | (Num hourly crew (a)*(Straight time hrs/yr* |
| Overtime rate | | \$0.00 | | | | | | | Hourly wage rate+Overtime hrs/yr* |
| | | | | \$0.00 | PFH | | | | Overtime rate)/Hours flown/yr) |
| Num hourly crew (b) | | 0 | | | | | | | |
| Straight time hrs/yr | | 0 | | | | | | | |
| Hourly wage rate | | \$0.00 | | | | | | | |
| Overtime hrs/yr | | 0 | | | | | | | |
| Overtime factor | | 0 | | | | | | | (Num hourly crew (a)*(Straight time hrs/yr* |
| Overtime rate | | 0 | | | | | | | Hourly wage rate+Overtime hrs/yr* |
| | | | | \$0.00 | PFH | | | | Overtime rate)/Hours flown/yr) |
| Misc/yr | | | | | | | | | |
| Total variable crew costs | | \$0.00 | | | | | | | |
| Item b | | \$0.00 | | | | | | | |
| Item c | | \$0.00 | | | | | | | |
| | | | | \$0.00 | PFH | | | | ((Item a + Item b + Item c)/hrs) |
| | | | | \$0.00 | PFH | | | | (sum of items above) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|--------------------------|--|---|--------|--|
| \$0.00 | <<<< To line 3 >>>> | Total Aircraft Lease or Rental Costs (PFH) | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | PC-12 | | | version |
| Based | NVO | | | NVO-PC12 |
| Lease/Rent Flt Hrs/yr | | | | Purchase |
| a plane | | 0 | | |
| b plane | | 0 | | |
| c plane | | 0 | | |
| Total Lse/Rnt Hrs/yr | | | | 0 (a plane hrs +b plane hrs +c plane hrs) |
| Lease/Rent rates/hr | | | | |
| a plane | | \$0.00 | | |
| b plane | | \$0.00 | | |
| c plane | | \$0.00 | | |
| Annual Costs | | | | |
| a plane | | | \$0.00 | (a plane hrs* a plane rate) |
| b plane | | | \$0.00 | (b plane hrs* b plane rate) |
| c plane | | | \$0.00 | (c plane hrs* c plane rate) |
| Total Annual \$Ls/Rt | | | \$0.00 | (a plane \$/yr +b plane \$/yr + c plane \$/yr) |
| | | | \$0.00 | PFH (Total \$/yr / Total Flt hrs/yr) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|------|--|
| \$0.00 | <<<< To line 4 >>>> | Total Landing Fee and Tie-Down costs (PFH) | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | PC-12 | | | version |
| Based | NVO | | | NVO-PC12 |
| | | | | Purchase |
| Hours flown/yr | | 250 | | |
| Legs flown/yr | | 250 | | |
| Landing fee /td | | \$0.00 | | |
| Total landing fee/yr | | | | \$0.00 (landings*landing fee) |
| Nights from base/yr | | 0 | | |
| Tie-down fee/day | | \$0.00 | | |
| Total tie-down fee/yr | | | | \$0.00 (Nights form base*tie-down fee) |
| | | | | PFH ((Tot landing fee + |
| | | | | \$0.00 tot tie-down fee) / hrs/yr) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | | |
|----------------|---|---|--|----------------|----------|---|----------|
| \$98.16 | <<<< To line 5g >>>> | Total Maintenance and Spares Costs (PFH) | | | | | version |
| | Analysis | GOGO COCO | | Adjusted | | | NVO-PC12 |
| | AIRCRAFT | PC-12 | | | | | Purchase |
| | Based | NVO | | | | | |
| | Hours flown/yr | 250 | | | | | |
| | Maint labor man-hrsPFH | 1.0700 | | | | | |
| | Labor rate \$/hr | \$24.22 | | | | | |
| | | | | \$25.92 | PFH (5a) | (Maint labor man-hrsPFH* Labor rate \$/hr) | |
| | Res for retirement items | | | \$70.48 | PFH (5b) | | |
| | Res for eng overhl & rpr | | | \$1.76 | PFH (5c) | | |
| | Res for maj comp overhl | | | \$0.00 | PFH (5d) | | |
| | Res for refurb & misc | | | \$0.00 | PFH (5e) | | |
| | Unscheduled Maint | | | \$0.00 | PFH (5f) | | |
| | | | | \$98.16 | PFH | (sum items 5a-5f) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|---------------------|--|---------------------------|------|---------------------|---|----------|
| \$197,073.95 | <<<< To line 9 >>>> | Crew Costs (fixed) | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | PC-12 | | | | | NVO-PC12 |
| Based | NVO | | | | | Purchase |
| Crew (a) | | | | | | |
| | Grade | GS-13 | | | | |
| | Salary | \$71,686.07 | | | | |
| | Time allotment % | 33% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Training costs \$/yr | \$1,250.00 | | | | |
| | Tot (a) | | | \$32,582.91 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Crew (b) | | | | | | |
| | Grade | GS-12 | | | | |
| | Salary | \$60,283.52 | | | | |
| | Time allotment % | 100% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Training costs \$/yr | \$2,400.00 | | | | |
| | Tot (b) | | | \$82,245.52 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Crew (c) | | | | | | |
| | Grade | GS-12 | | | | |
| | Salary | \$60,283.52 | | | | |
| | Time allotment % | 100% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Training costs \$/yr | \$2,400.00 | | | | |
| | Tot (c) | | | \$82,245.52 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| | | | | \$197,073.95 | Total crew costs (fixed) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|------------------------|---|--------------------------|-------------|-------------|-------------------------|---------------------|
| \$20,463.85 | <<<< To line 10 >>>> | Maintenance Costs | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | | PC-12 | | | | NVO-PC12 |
| Based | | NVO | | | | Purchase |
| Hours flown/yr | | 250 | | | | |
| labor rate \$/hr | | \$24.22 | | | | |
| Sched maint items | | | | | | |
| Airframe,sys,instmt | hrs PFH | 1.07 | \$6,478.85 | | | (hrs*rate a*hrsPFH) |
| Avionics | hrs PFH | 0.00 | \$0.00 | | | (hrs*rate b*hrsPFH) |
| misc | hrs PFH | 0.00 | \$0.00 | | | (hrs*rate c*hrsPFH) |
| item (d) | hrs PFH | 0.00 | \$0.00 | | | (hrs*rate d*hrsPFH) |
| | | | | | | |
| Material costs | | | | | | |
| Airframe,sys,instmt | \$ PFH | \$55.94 | \$13,985.00 | | | |
| Avionics | \$ PFH | \$0.00 | \$0.00 | | | |
| misc | \$ PFH | \$0.00 | \$0.00 | | | |
| item (d) | \$ PFH | \$0.00 | \$0.00 | | | |
| Tot sched maint cost | | | | \$20,463.85 | (sum all maint) | |
| | | | | | | |
| Sched inspect items | | \$0.00 | | | | |
| Airframe,sys,instmt | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate a*hrsPFH) |
| item (b) | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate b*hrsPFH) |
| item (c) | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate c*hrsPFH) |
| item (d) | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate d*hrsPFH) |
| Tot sched inspect cost | | | | \$0.00 | (sum all inspect items) | |
| | | | | | | |
| misc Tot\$ | | | | \$0.00 | (Sched maint+ | |
| | | | | \$20,463.85 | Sched inspect) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------|--|-----------------------|-----------------------|---------------------------------|-----------------|
| \$0.00 | <<<< To line 11 >>>> Aircraft Lease | | GOGO COCO | Adjusted | version |
| | Analysis | | | | NVO-PC12 |
| | AIRCRAFT | PC-12 | | | Purchase |
| | Based | NVO | | | |
| | Time period - years | | 10 | | |
| | Costs (current year) | | | | |
| | Base aircraft | \$2,435,000.00 | | | |
| | Avionics | \$0.00 | | | |
| | Total cost (on-line year) | | \$2,563,266.06 | (base+avionics inflated) | |
| | Capital charge/yr | | \$0.00 | (total cost/time period) | |
| | Lease charge/yr | | | | |
| | depreciation | \$0.00 | | (wrksht 12) | |
| | interest | \$156,359.23 | | (wrksht 16) | |
| | Tot lease charge/yr | | \$156,359.23 | (dep+int) | |
| | Lease/Purchase charge/yr | | | | |
| | capital | \$256,326.61 | | (total cost/time period) | |
| | interest | \$156,359.23 | | (wrksht 16) | |
| | service charge rate | 0% | | (capital*rate) | |
| | service charge | \$0.00 | | | |
| | Tot lease /purchase chrg/yr | | \$412,685.84 | | |
| | Cost free aircraft | | \$0.00 | (from above) | |
| | | | \$0.00 | Purchase | 1 |

WORKSHEET

(\$60,223.39) ((Purchase w/ avionics-Sale w/ avionics)/ time period)

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------|-----------------------|----------------|----------------|-------------|-------------------------------------|
| \$22,997.96 | <<<< To line 13c >>>> | | Self-Insurance | | |
| Analysis | | | GOGO | COCO | Adjusted |
| AIRCRAFT | PC-12 | | | | version |
| Based | NVO | | | | NVO-PC12 |
| Value of aircraft | | \$2,563,266.06 | | | Purchase |
| Number of seats | | 3 | | | |
| Insurance factors | | | | | |
| | hull | 0.0055 | | | (fm common data cht) |
| | liability (base) | \$8,000.00 | | | (fm common data cht) |
| | liability (/seat) | \$300.00 | | | (fm common data cht) |
| Tot cost hull | | | | \$14,097.96 | (value of aircraft*hull ins factor) |
| Liability | | | | | |
| | base | \$8,000.00 | | | |
| | Tot per seat adder | \$900.00 | | | (liability ins*num of seats) |
| Tot cost liability | | | | \$8,900.00 | (base+seat adder) |
| Total self ins cost | | | | \$22,997.96 | (Tot hull ins+Tot liability ins) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|------------------------|---|----------------------------|-------------|-------------|---|
| \$65,647.64 | <<<< To line 14 >>>> | Operations Overhead | | | |
| Analysis | | GOGO COCO | Adjusted | | version |
| AIRCRAFT | PC-12 | | | | NVO-PC12 |
| Based | NVO | | | | Purchase |
| Admin (a) | | | | | |
| | Grade GS-14 | | | | |
| | Salary | \$84,711.80 | | | |
| | Time allotment % | 19% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | Tot (a) | | \$21,318.15 | | |
| Admin (b) | | | | | |
| | Grade GS-11 | | | | |
| | Salary | \$50,299.39 | | | |
| | Time allotment % | 19% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (b) | | \$12,658.09 | | |
| Admin (c) | | | | | |
| | Grade GS-11 | | | | |
| | Salary | \$50,299.39 | | | |
| | Time allotment % | 19% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (c) | | \$12,658.09 | | |
| Admin (d) | | | | | |
| | Grade GS-9 | | | | |
| | Salary | \$41,570.31 | | | |
| | Time allotment % | 19% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (d) | | \$10,461.38 | | |
| Admin (e) | | | | | |
| | Grade GS-7 | | | | |
| | Salary | \$33,982.75 | | | |
| | Time allotment % | 19% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (e) | | \$8,551.93 | | |
| Tot personnel | | | | \$65,647.64 | (sum personnel items) |
| Hanger rental | | \$0.00 | | | |
| Home base tie-down fee | | \$0.00 | | | |
| Office space | | \$0.00 | | | |
| Office supplies | | \$0.00 | | | |
| Utilities | | | | | |
| | Phone | \$0.00 | | | |
| | Electricity | \$0.00 | | | |
| | Oil/Gas heat | \$0.00 | | | |
| | Water | \$0.00 | | | |
| Building maintenance | | \$0.00 | | | |
| misc | | \$0.00 | | | |
| Tot non-personnel | | | | \$0.00 | (sum non-persnrl items) |
| | | | | \$65,647.64 | Total ops ovrhd costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|---------------|---|-------------|----------|---|
| \$0.00 | <<<< To line 15 >>>> Administrative Overhead | | | version |
| | Analysis | GOGO COCO | Adjusted | NVO-PC12 |
| | AIRCRAFT | PC-12 | | Purchase |
| | Based | NVO | | |
| | Admin (a) | | | |
| | Grade GS-12 | | | |
| | Salary | \$60,283.52 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (a) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | Admin (b) | | | |
| | Grade GS-9 | | | |
| | Salary | \$41,570.31 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (b) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | Admin (c) | | | |
| | Grade GS-7 | | | |
| | Salary | \$33,982.75 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (c) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | Tot personnel | | \$0.00 | |
| | Office space | \$0.00 | | |
| | Office supplies | \$0.00 | | |
| | Utilities | | | |
| | Phone | \$0.00 | | |
| | Electricity | \$0.00 | | |
| | Oil/Gas heat | \$0.00 | | |
| | Water | \$0.00 | | |
| | Building maintenance | \$0.00 | | |
| | misc | \$0.00 | | |
| | Tot non-personnel | | \$0.00 | |
| | | | \$0.00 | Total admin overhead costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-----------------------------|--|----------------------|----------------|------------------------------------|----------|
| \$93,590.99 | | <<<< To line 16 >>>> | | Cost of Capital or Finance Expense | |
| | | | | GOGO COCO | |
| Analysis | | | | Adjusted | version |
| AIRCRAFT | | PC-12 | | | NVO-PC12 |
| Based | | NVO | | | Purchase |
| Value of aircraft | | | \$2,563,266.06 | | |
| Time period - years | | | 10 | | |
| Interest rate | | | 6.100% | | |
| Annual levelized finan cost | | | | \$93,590.99 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-------------------------|--|----------------------|--------------|---------------------|----------|
| \$581,750.00 | | <<<< To line 19 >>>> | | Total Contract Cost | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | PC-12 | | | NVO-PC12 |
| Based | | NVO | | | Purchase |
| Hours flown/yr | | | 250 | | |
| Contract vari cost PFH | | | \$575.00 | | |
| Contract fixed cost PFH | | | \$1,752.00 | | |
| Total cost PFH | | | \$2,327.00 | (vari+fixed) | |
| Total cost | | | \$581,750.00 | (tot cost PFH*Hrs) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|----------------------------------|----------|
| \$0.00 | <<<< To line 20a >>>> | Daily Availability/Guarantee hours | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | PC-12 | | | NVO-PC12 |
| Based | NVO | | | Purchase |
| Number guar hrs/yr | | 0 | | |
| Hourly guar rate | | \$0.00 | | |
| Tot cost of guarantee | | | \$0.00 (guar hrs/yr*hourly rate) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|--|----------|----------|
| \$10,000.00 | <<<< To line 20b >>>> | Additional Pilot and Crew Charges | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | PC-12 | | | NVO-PC12 |
| Based | NVO | | | Purchase |
| Hrs/yr for extra crew | | 250 | | |
| Hourly rate | | \$40.00 | | |
| Tot cost extra crew | | \$10,000.00 (hrs/yr*hourly rate) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|--------|-----------------------|--------------------------------|-----------|----------|--------|----------------------|
| \$0.00 | <<<< To line 20c >>>> | Additional Maintenance Support | | | | |
| | Analysis | | GOGO COCO | Adjusted | | version |
| | AIRCRAFT | PC-12 | | | | NVO-PC12 |
| | Based | NVO | | | | Purchase |
| | Hours/yr added maint | | 0 | | | |
| | Hourly rate | | \$24.22 | | | |
| | Tot added maint cost | | | | \$0.00 | (hrs/yr*hourly rate) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|--|--|---------------|-----------------------------------|
| \$0.00 | <<<< To line 20d >>>> | Airframe Alterations/Equipment Installation | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | PC-12 | | | NVO-PC12 |
| Based | NVO | | | Purchase |
| Time period - yrs | | 10 | | |
| Airframe alts | | \$0.00 | | |
| Equipment instal | | \$0.00 | | |
| tot alt/install cost | | | \$0.00 | (airframe alts+equip install)/yrs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------------------|--|------|---|----------|----------|
| \$0.00 | <<<< To line 20e >>>> | | Equipment not Provided by Government | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | PC-12 | | | | NVO-PC12 |
| Based | NVO | | | | Purchase |
| Time period - yrs | | | 10 | | |
| | Item a | | \$0.00 | | |
| | Item b | | \$0.00 | | |
| | Item c | | \$0.00 | | |
| tot equipment cost | | | \$0.00 (item a+Item b+item c)/yrs | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------------------------|-----------------------|-------|-----------------------------------|----------|----------|
| \$0.00 | <<<< To line 20f >>>> | | Additional Ground Service Support | | |
| Analysis | | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | PC-12 | | | NVO-PC12 |
| Based | | NVO | | | Purchase |
| | item a | | \$0.00 | | |
| | item b | | \$0.00 | | |
| | item c | | \$0.00 | | |
| tot grnd serv spprt cost | | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-------------------------|-----------------------|------|---------------------|----------|-------------------------|
| \$0.00 | <<<< To line 20g >>>> | | Travel and per Diem | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | PC-12 | | | | NVO-PC12 |
| Based | NVO | | | | Purchase |
| Nights from base/yr | | | 0 | | |
| Per diem rates | | | \$0.00 | | |
| misc costs | | | \$0.00 | | |
| tot trav&per diem costs | | | | \$0.00 | (#nights*per diem+misc) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|------------------------------|-----------------------|-------------------------------|----------|----------|
| \$0.00 | <<<< To line 20h >>>> | Service Equipment Mileage | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | PC-12 | | | NVO-PC12 |
| Based | NVO | | | Purchase |
| Equipment costs (not hourly) | | | | |
| | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| tot eqpt costs | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------------|-----------------------|-----------|--------------|---------------------|
| \$0.00 | <<<< To line 20i >>>> | | Airport Fees | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | PC-12 | | | NVO-PC12 |
| Based | NVO | | | Purchase |
| Legs flown/yr | | 250 | | |
| Airport fees (ave) \$/trip | | \$0.00 | | |
| tot airport/yr | | | \$0.00 | (trips/yr*\$ /trip) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-----------------|-----------------------|-------|-------------------------------|----------|----------|
| \$0.00 | <<<< To line 20j >>>> | | Other Costs | | |
| Analysis | | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | PC-12 | | | NVO-PC12 |
| Based | | NVO | | | Purchase |
| Other costs | | | | | |
| | item a | | \$0.00 | | |
| | item b | | \$0.00 | | |
| | item c | | \$0.00 | | |
| tot other costs | | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | | |
|------------|---------------------|----------------------|-------------|-------------------------------|------|------------|---|
| \$7,595.86 | | <<<< To line 21 >>>> | | Contract Administrative Costs | | | |
| Analysis | | | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | | PC-12 | | | | NVO-PC12 |
| Based | | | NVO | | | | Purchase |
| Admin (a) | | | | | | | |
| | Grade | GS-14 | | | | | |
| | Salary | | \$84,711.80 | | | | |
| | Time allotment % | | 0% | | | | |
| | Benefits %of salary | | 32.45% | | | | |
| | Misc accounts \$/yr | | \$0.00 | | | | |
| | Tot (a) | | | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (b) | | | | | | | |
| | Grade | GS-13 | | | | | |
| | Salary | | \$71,686.07 | | | | |
| | Time allotment % | | 8% | | | | |
| | Benefits %of salary | | 32.45% | | | | |
| | Misc accounts \$/yr | | \$0.00 | | | | |
| | Tot (b) | | | | | \$7,595.86 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (c) | | | | | | | |
| | Grade | GS-12 | | | | | |
| | Salary | | \$60,283.52 | | | | |
| | Time allotment % | | 0% | | | | |
| | Benefits %of salary | | 32.45% | | | | |
| | Misc accounts \$/yr | | \$0.00 | | | | |
| | Tot (c) | | | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (d) | | | | | | | |
| | Grade | GS-9 | | | | | |
| | Salary | | \$41,570.31 | | | | |
| | Time allotment % | | 0% | | | | |
| | Benefits %of salary | | 32.45% | | | | |
| | Misc accounts \$/yr | | \$0.00 | | | | |
| | Tot (d) | | | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (e) | | | | | | | |
| | Grade | GS-9 | | | | | |
| | Salary | | \$41,570.31 | | | | |
| | Time allotment % | | 0% | | | | |
| | Benefits %of salary | | 32.45% | | | | |
| | Misc accounts \$/yr | | \$0.00 | | | | |
| | Tot (e) | | | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | | | | | \$7,595.86 | Total admin overhead costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|---------------------------------------|---|-----------|---|
| \$0.00 | <<<< To line 22 >>>> One Time Conversion Costs | | |
| Analysis | GOGO/COCO | | Adjusted |
| AIRCRAFT | PC-12 | | version |
| Based | NVO | | NVO-PC12 |
| Time period - yrs | 10 | | Purchase |
| | | | |
| Material costs \$/yr | | | \$0.00 |
| | | | |
| Grade GS-12 | | | |
| Time allocation % | | 0% | |
| Severance | \$60,283.52 | | |
| Moving | \$0.00 | | |
| Retraining | \$0.00 | | |
| Misc accounts \$/yr | \$0.00 | | |
| Tot (a) | | | \$0.00 (sever+move+retrain+misc) |
| | | | |
| Grade GS-12 | | | |
| Time allocation % | | 0% | |
| Severance | \$60,283.52 | | |
| Moving | \$0.00 | | |
| Retraining | \$0.00 | | |
| Misc accounts \$/yr | \$0.00 | | |
| Tot (b) | | | \$0.00 (sever+move+retrain+misc) |
| | | | |
| Grade GS-9 | | | |
| Time allocation % | | 0% | |
| Severance | \$41,570.31 | | |
| Moving | \$0.00 | | |
| Retraining | \$0.00 | | |
| Misc accounts \$/yr | \$0.00 | | |
| Tot (c) | | | \$0.00 (sever+move+retrain+misc) |
| | | | |
| Other 1-time costs \$/yr | | | \$0.00 |
| | | | |
| Total conversion costs | | | \$0.00 (sum of above col) |
| | | | |
| Annual allocation of conversion costs | | | \$0.00 (Tot costs/yrs) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|---|--|------|------------------------------------|
| \$0.00 | <<<< To line 23 >>>> | Gain on Disposal/Transfer of Assets | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | PC-12 | | | version |
| Based | NVO | | | NVO-PC12 |
| Time period - yrs | | 10 | | Purchase |
| To be sold/trans | | no | | |
| Value of aircraft | | \$0.00 | | |
| Unpaid balance | | \$0.00 | | |
| Equity in aircraft | | | | \$0.00 (value-unpaid bal) |
| Cost of disposal | | | | \$0.00 |
| Tot gain | | | | \$0.00 (equity - cost of disposal) |
| Gain per time period | | | | \$0.00 (tot gain/yrs) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-------------------------|-------|----------------------|--------------|---------------------------|----------|
| \$2,627.22 | | <<<< To line 28 >>>> | | Conversion Differential | |
| Analysis | | | GOGO | COCO | Adjusted |
| AIRCRAFT | PC-12 | | | | version |
| Based | NVO | | | | NVO-PC12 |
| Time period - years | | 10 | | | Purchase |
| Crew cost PFH | | \$0.00 | | | |
| Hours flown/yr | | 250 | | | |
| Tot crew cost (vari) | | | \$0.00 | (Crew cost PFH*hours) | |
| Tot crew cost (fix) | | | \$197,073.95 | (line 9) | |
| Ops personnel cost | | | \$65,647.64 | (wksht 14) | |
| Adm personnel cost | | | \$0.00 | (wksht 15) | |
| Tot personnel (Convert) | | | | \$262,721.59 () | |
| New cap acqustn costs | | | | \$2,563,266.06 (wksht 11) | |
| | A | \$0.00 | | | |
| | B | \$2,627.22 | | | |
| | C | \$64,081.65 | | | |
| | D | \$2,627.22 | | | |
| | | | | | \$2,627 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Non-Adjusted XOXO Costs | | | | | |
|-------------------------|------------------------|-----------------|---------------------------------|------------------------------|--|
| | AIRCRAFT Based | PC-12 NVO | version NVO-PC12 Purchase | | |
| | Gov't cost | Contractor cost | | | |
| | 1st yr | 1st yr | | | |
| variable costs PFH | \$191 | \$599 | | | |
| fixed cost PFH | \$1,609 | \$1,752 | | | |
| total costs PFH | \$1,800 | \$2,351 | | | |
| Flight Hours per Yr | 250 | | | 10 year analysis | |
| | Costs per flight hr | Total Costs | Difference from GOGO | Life of Model Total costs | Life of Model Average cost per flight hr |
| | 1st yr | 1st yr | 1st yr | | |
| GOGO | \$1,800 | \$450,033 | \$0 | \$4,503,462 | \$1,801 |
| COGO | \$1,943 | \$485,714 | \$35,681 | \$5,758,452 | \$2,303 |
| GOCO | \$2,208 | \$552,030 | \$101,997 | \$5,710,474 | \$2,284 |
| COCO | \$2,351 | \$587,711 | \$137,678 | \$6,965,464 | \$2,786 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Decision Line | | | | | | |
|-------------------|-----------|--------------|--------------------|---------------|------------------|----|
| AIRCRAFT | | PC-12 | version | | | |
| Based | | NVO | NVO-PC12 | | | |
| | | | Purchase | | 10 year analysis | |
| Initial Structure | Terminal | First Year | First Year Review | Life of Model | Life of Model | |
| | Structure | Conversion | Line (positive | Conversion | Decision Line | |
| | | Differential | value favors col 1 | Differential | (positive value | |
| | | | structure) | | favors col 1 | |
| | | | | | structure) | |
| GOGO | to COCO | \$2,627 | \$140,305 | \$31,952 | \$2,493,954 | |
| COGO | to COCO | \$2,627 | \$104,624 | \$31,952 | \$1,238,964 | |
| GOCO | to COCO | \$0 | \$35,681 | \$0 | \$1,254,990 | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| GOGO | to GOCO | \$2,627 | \$104,624 | \$31,952 | \$1,238,964 | |
| COGO | to GOCO | \$66,709 | \$133,025 | \$791,178 | \$743,200 | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| COCO | to GOCO | \$64,082 | \$28,401 | \$759,226 | (\$495,764) | |
| GOGO | to COGO | \$0 | \$35,681 | \$0 | \$1,254,990 | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| GOCO | to COGO | \$2,627 | (\$63,689) | \$31,952 | \$79,931 | |
| COCO | to COGO | \$2,627 | (\$99,370) | \$31,952 | (\$1,175,059) | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| COGO | to GOGO | \$64,082 | \$28,401 | \$759,226 | (\$495,764) | |
| GOCO | to GOGO | \$2,627 | (\$99,370) | \$31,952 | (\$1,175,059) | |
| COCO | to GOGO | \$66,709 | (\$70,969) | \$791,178 | (\$1,670,823) | |

ALBUQUERQUE

DOE Albuquerque Present Fleet - Should Costs

| Aircraft Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| N135DE | \$791,216 | \$787,450 | \$1,093,862 | \$842,951 | \$851,275 | \$869,197 | \$903,556 | \$919,191 | \$939,649 | \$659,431 | \$8,657,778 |
| N148DE | \$361,301 | \$329,260 | \$337,491 | \$345,929 | \$354,577 | \$363,441 | \$372,527 | \$381,840 | \$391,386 | \$401,171 | \$3,638,923 |
| N162DE | \$427,347 | \$471,106 | \$482,884 | \$494,956 | \$507,330 | \$520,013 | \$533,013 | \$546,339 | \$559,997 | \$573,997 | \$5,116,982 |
| N166DE | \$1,816,072 | \$1,848,788 | \$1,895,007 | \$1,942,383 | \$1,990,942 | \$2,040,716 | \$2,091,734 | \$2,144,027 | \$2,197,628 | \$2,252,568 | \$20,219,865 |
| N229DE | \$2,077,389 | \$2,096,234 | \$2,148,640 | \$2,202,356 | \$2,257,415 | \$2,313,850 | \$2,371,697 | \$2,430,989 | \$2,491,764 | \$2,554,058 | \$22,944,392 |
| N344DD | \$157,427 | \$1,043,832 | \$1,043,289 | \$1,123,185 | \$1,238,810 | \$1,429,095 | \$1,136,527 | \$1,293,807 | \$1,262,249 | \$2,137,002 | \$11,865,223 |
| N7232R | \$535,148 | \$583,331 | \$578,625 | \$622,555 | \$603,679 | \$623,116 | \$634,241 | \$676,486 | \$700,708 | \$687,804 | \$6,245,693 |
| Totals | \$6,165,901 | \$7,160,003 | \$7,579,801 | \$7,574,319 | \$7,804,033 | \$8,159,434 | \$8,043,302 | \$8,392,687 | \$8,543,390 | \$9,266,041 | \$78,688,856 |

DOE Albuquerque Present Fleet - Costs Normalized

| Aircraft | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|----------|------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|
| N135DE | | \$968,906 | \$973,506 | \$1,236,782 | \$1,035,820 | \$1,051,091 | \$1,074,568 | \$1,111,957 | \$1,133,961 | \$1,160,208 | \$1,186,122 | \$10,932,921 |
| N148DE | | \$408,124 | \$384,099 | \$393,702 | \$403,544 | \$413,633 | \$423,974 | \$434,573 | \$445,437 | \$456,573 | \$467,988 | \$4,231,647 |
| N162DE | | \$664,427 | \$708,601 | \$726,316 | \$744,474 | \$763,086 | \$782,163 | \$801,717 | \$821,760 | \$842,304 | \$863,362 | \$7,718,210 |
| N166DE | | \$2,342,017 | \$2,389,996 | \$2,449,746 | \$2,510,990 | \$2,573,764 | \$2,638,108 | \$2,704,061 | \$2,771,663 | \$2,840,954 | \$2,911,978 | \$26,133,277 |
| N229DE | | \$2,568,695 | \$2,605,338 | \$2,670,472 | \$2,737,234 | \$2,805,664 | \$2,875,806 | \$2,947,701 | \$3,021,394 | \$3,096,929 | \$3,174,352 | \$28,503,585 |
| N344DD | | \$208,797 | \$949,408 | \$950,945 | \$1,019,563 | \$1,118,006 | \$1,278,719 | \$1,037,107 | \$1,170,424 | \$1,146,432 | \$1,877,756 | \$10,757,157 |
| N7232R | | \$959,463 | \$1,012,453 | \$1,021,690 | \$1,071,785 | \$1,069,881 | \$1,100,248 | \$1,124,043 | \$1,174,135 | \$1,209,581 | \$1,214,468 | \$10,957,747 |
| Totals | | \$8,120,430 | \$9,023,403 | \$9,449,656 | \$9,523,414 | \$9,795,130 | \$10,173,592 | \$10,161,166 | \$10,538,782 | \$10,752,990 | \$11,696,036 | \$99,234,544 |

DOE Albuquerque Future Fleet - GOGO

| Aircraft | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|----------|------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| N135DE | | \$755,452 | \$768,277 | \$1,026,822 | \$821,431 | \$832,182 | \$851,478 | \$889,484 | \$897,299 | \$924,601 | \$961,357 | \$8,728,383 |
| N148DE | | \$435,732 | \$446,625 | \$457,791 | \$469,236 | \$480,967 | \$492,991 | \$505,316 | \$517,948 | \$530,897 | \$544,170 | \$4,881,673 |
| N162DE | | \$435,732 | \$446,625 | \$457,791 | \$469,236 | \$480,967 | \$492,991 | \$505,316 | \$517,948 | \$530,897 | \$544,170 | \$4,881,673 |
| N166DE | | \$1,631,711 | \$1,672,503 | \$1,714,316 | \$1,757,174 | \$1,801,103 | \$1,846,131 | \$1,892,284 | \$1,939,591 | \$1,988,081 | \$2,037,783 | \$18,280,677 |
| N229DE | | \$1,631,711 | \$1,672,503 | \$1,714,316 | \$1,757,174 | \$1,801,103 | \$1,846,131 | \$1,892,284 | \$1,939,591 | \$1,988,081 | \$2,037,783 | \$18,280,677 |
| N344DD | | \$1,008,276 | \$975,442 | \$966,025 | \$1,024,824 | \$961,174 | \$1,262,823 | \$1,009,833 | \$1,131,214 | \$1,094,706 | \$1,812,913 | \$11,247,230 |
| ADD DC-9 | | \$1,631,711 | \$1,672,503 | \$1,714,316 | \$1,757,174 | \$1,801,103 | \$1,846,131 | \$1,892,284 | \$1,939,591 | \$1,988,081 | \$2,037,783 | \$18,280,677 |
| ADD LR35 | | \$755,452 | \$768,277 | \$1,026,822 | \$821,431 | \$832,182 | \$851,478 | \$889,484 | \$897,299 | \$924,601 | \$961,357 | \$8,728,383 |
| Totals | | \$8,285,777 | \$8,422,755 | \$9,078,199 | \$8,877,680 | \$8,990,781 | \$9,490,154 | \$9,476,285 | \$9,780,481 | \$9,969,945 | \$10,937,316 | \$93,309,373 |

The above future fleet is based on:
 425 hours for each of the DC-9's
 255 hours for each of the Dash 6's
 325 hours for the Lear 35
 350 hours for the Gulfstream III

Staffing of 45 positions for a total cost of \$2,454,001

Ops. O/H at actual costs from the staffing plan, G&A is 12% of the gross labor and benefits

Variable maintenance labor costs are man-hours per flight hour from the LCCA or the Aircraft Cost Evaluator

Maintenance labor costs are split 50% to direct costs (variable) and 50% to fixed costs with the fixed cost share distributed to all aircraft based on flight hours

Ops. O/H is distributed to all aircraft based on total flight hours

Year one excludes purchase of the additional DC-9 at \$4,000,000 and the Lear 35 at \$3,425,000

DOE Albuquerque Future Fleet - GOCO

| Aircraft | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|----------|-------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|
| N135DE | LR-35 | \$776,999 | \$790,363 | \$1,049,460 | \$844,635 | \$855,966 | \$875,857 | \$914,472 | \$922,911 | \$950,854 | \$988,266 | \$8,969,743 |
| N148DE | DHC-6 | \$453,818 | \$465,164 | \$476,793 | \$488,712 | \$500,930 | \$513,453 | \$526,290 | \$539,447 | \$552,933 | \$566,757 | \$5,084,297 |
| N162DE | DHC-6 | \$453,818 | \$465,164 | \$476,793 | \$488,712 | \$500,930 | \$513,453 | \$526,290 | \$539,447 | \$552,933 | \$566,757 | \$5,084,297 |
| N166DE | DC-9 | \$1,696,313 | \$1,738,721 | \$1,782,189 | \$1,826,744 | \$1,872,412 | \$1,919,223 | \$1,967,203 | \$2,016,383 | \$2,066,793 | \$2,118,463 | \$19,004,434 |
| N229DE | DC-9 | \$1,696,313 | \$1,738,721 | \$1,782,189 | \$1,826,744 | \$1,872,412 | \$1,919,223 | \$1,967,203 | \$2,016,383 | \$2,066,793 | \$2,118,463 | \$19,004,434 |
| N344DD | GIII | \$1,068,633 | \$1,037,308 | \$1,029,437 | \$1,089,822 | \$1,027,796 | \$1,331,111 | \$1,079,829 | \$1,202,959 | \$1,168,245 | \$1,888,291 | \$11,923,431 |
| Add DC-9 | DC-9 | \$1,696,313 | \$1,738,721 | \$1,782,189 | \$1,826,744 | \$1,872,412 | \$1,919,223 | \$1,967,203 | \$2,016,383 | \$2,066,793 | \$2,118,463 | \$19,004,434 |
| Add LR35 | LR-35 | \$776,999 | \$790,363 | \$1,049,460 | \$844,635 | \$855,966 | \$875,857 | \$914,472 | \$922,911 | \$950,854 | \$988,266 | \$8,969,783 |
| Totals | | \$8,619,206 | \$8,764,525 | \$9,428,510 | \$9,236,748 | \$9,358,824 | \$9,867,400 | \$9,862,962 | \$10,176,824 | \$10,376,198 | \$11,353,726 | \$97,044,923 |

The above future fleet is based on:

425 hours for each of the DC-9's

255 hours for each of the Dash 6's

325 hours for each Lear 35

350 hours for the Gulfstream III

Ops. O/H at actual costs from the staffing plan

G&A is at 12% of direct labor and benefits, plus 6% of direct labor and benefits for Profit/Fee

Variable maintenance labor costs are man-hours per flight hour from the LCCA or the Aircraft Cost Evaluator

Maintenance labor costs are split 50% to direct costs (variable) and 50% to fixed costs with the fixed cost share distributed to all aircraft based on flight hours

Ops. O/H is distributed to all aircraft based on total flight hours

Year one excludes purchase of the additional DC-9 at \$4,000,000. and the LR-35 at \$3,425,000

The Aircraft Cost Evaluator

| DIRECT COST - \$ | MD 83 | DC 9-30 | MD 87 |
|-----------------------------------|-----------------|-----------------|-----------------|
| Fuel (1) | 2,309.26 | 1,915.80 | 2,214.50 |
| Fuel Additives | 0.00 | 0.00 | 0.00 |
| Lubricants | 0.00 | 0.00 | 0.00 |
| Maintenance Labor (2) | 247.65 | 429.65 | 321.75 |
| Parts Airframe/Eng/Avion (3) | 113.86 | 197.71 | 148.05 |
| Engine Restoration (4) | 333.32 | 217.28 | 333.32 |
| Thrust Reverser Overhaul | 10.00 | 10.00 | 10.00 |
| Propeller Overhaul | 0.00 | 0.00 | 0.00 |
| APU Overhaul | 15.00 | 15.00 | 15.00 |
| Dynamic Comp/Life Ltd Parts | 0.00 | 0.00 | 0.00 |
| Misc Exp. - Landing/Parking | 80.00 | 60.50 | 74.75 |
| - Crew Expenses | 135.00 | 135.00 | 135.00 |
| - Supplies/Catering | 84.00 | 84.00 | 84.00 |
| - Other | 0.00 | 0.00 | 0.00 |
| Fractional Cost/Hour + Tax | 0.00 | 0.00 | 0.00 |
| Total Direct Cost/Hour | 3,328.09 | 3,064.94 | 3,336.37 |
| Average Block Speed-Mph. (5) | 430 | 385 | 431 |
| Total Direct Cost/St. Mile | 7.74 | 7.96 | 7.74 |

FOOTNOTES - \$

Operation: 1 - 2 Aircraft

Date: 5/6/2001

| Type of Operation: | Corporate | Corporate | Corporate |
|-----------------------------|-------------|-------------|-------------|
| 1 /Fuel Cost | 2.06 | 2.06 | 2.06 |
| Gallons/Hour | 1121 | 930 | 1075 |
| 2 /Maint. Labor Cost/Hour | 65.00 | 65.00 | 65.00 |
| Maint. Hours/Flight Hours | 3.81 | 6.61 | 4.95 |
| 3 /Incl. Engine Parts Cost | No | No | No |
| 4 /Overhaul Cost Source | 99JSSI Comp | 99JSSI Comp | 99JSSI Comp |
| 5 /Block Speed Source | Oper Exper | Oper Exper | Estimated |
| 6 /Crew Salary Source | 98 NBAA +6% | 98 NBAA +6% | 98 NBAA +6% |
| Number of Crew | 2 | 2 | 2 |
| 7 /Insured Hull Value | 33785000 | 10052433 | 20609894 |
| Hull Insurance Rate (%) | 0.15 | 0.75 | 0.15 |
| 8 /Modernization | .4% x Price | .4% x Price | .4% x Price |
| 9 /Refurbish Labor Hrs/Seat | 105 | 105 | 105 |
| 10/Comp. Mx Program Source | MxManager | MxManager | MxManager |
| 11/Weather Service Source | Typical | Typical | Typical |
| 12/Aircraft Purchase Price | 33785000 | 10052433 | 20609894 |
| Depreciation Rate | 10% per yr | 10% per yr | 10% per yr |
| 13/Market Depr % / Year | 4 | 4 | 4 |

The Aircraft Cost Evaluator

| FIXED COST - \$ | MD 83 | DC 9-30 | MD 87 |
|------------------------------|------------------|------------------|------------------|
| Crew Salaries - Captain (6) | 95,188 | 95,188 | 95,188 |
| - Co Pilot | 68,900 | 68,900 | 68,900 |
| - Flt Eng/Other | 0 | 0 | 0 |
| - Benefits | 49,226 | 49,226 | 49,226 |
| Hangar - Typical | 143,558 | 143,558 | 143,558 |
| Insurance - Hull (7) | 50,678 | 75,393 | 30,915 |
| Admitted Liability | 5,250 | 5,250 | 5,250 |
| Legal Liability | 16,000 | 16,000 | 16,000 |
| Recurrent Training | 47,400 | 47,400 | 47,400 |
| Aircraft Modernization (8) | 135,140 | 40,210 | 82,440 |
| Navigation Chart Service | 9,921 | 9,921 | 9,921 |
| Refurbishing (9) | 129,675 | 129,675 | 129,675 |
| Computer Mx. Program (10) | 1,850 | 1,850 | 1,850 |
| Weather Service (11) | 2,235 | 2,235 | 2,235 |
| Other Fixed Costs | 0 | 0 | 0 |
| Fractional Cost/Yr + Tax | 0 | 0 | 0 |
| Book Depreciation (12) | 3,378,500 | 1,005,243 | 2,060,989 |
| Total Fixed Cost/Year | 4,133,521 | 1,690,050 | 2,743,547 |

| ANNUAL BUDGET - \$ | Corporate | Corporate | Corporate |
|-------------------------------------|------------------|------------------|------------------|
| Utilization - St. Miles | 200,000 | 200,000 | 200,000 |
| - Hours | 465 | 519 | 464 |
| Direct Cost | 1,547,562 | 1,590,704 | 1,548,076 |
| Fixed Cost | 4,133,521 | 1,690,050 | 2,743,547 |
| Total Cost (Book Dep.) | 5,681,083 | 3,280,754 | 4,291,623 |
| - Per Hour | 12,217 | 6,321 | 9,249 |
| - Per St. Mile | 28.41 | 16.40 | 21.46 |
| - Per Seat St. Mile | 1.50 | .86 | 1.13 |
| Total Cost (No Depreciation) | 2,302,583 | 1,275,510 | 2,230,634 |
| - Per Hour | 4,952 | 4,384 | 4,807 |
| - Per St. Mile | 11.51 | 11.38 | 11.15 |
| - Per Seat St. Mile | .61 | .60 | .59 |
| Total Cost (No Depreciation) | 2,302,583 | 1,275,510 | 2,230,634 |
| Market Depreciation (13) | 1,351,400 | 402,097 | 824,396 |
| Total Cost (Market Dep.) | 3,653,983 | 2,677,608 | 3,055,029 |
| - Per Hour | 7,858 | 5,159 | 6,584 |
| - Per St. Mile | 18.27 | 13.39 | 15.28 |
| - Per Seat St. Mile | .96 | .70 | .80 |

The Aircraft Cost Evaluator

| GENERAL - S | MD 83 | DC 9-30 | MD 87 |
|----------------------------|----------|-------------|----------|
| Cabin-Height (Ft.) | 6.80 | 6.80 | 6.80 |
| - Width | 10.10 | 10.10 | 10.10 |
| - Length | 101.00 | 55.80 | 83.50 |
| Cabin volume (Cu. Ft.) | 6,780.00 | 3,745.00 | 5,605.00 |
| Cabin Door Height (Ft.) | 6.00 | 6.00 | 6.00 |
| - Width | 2.80 | 2.80 | 2.80 |
| Baggage -Int. (Cu.Ft.) | 245.00 | 195.00 | 205.00 |
| - External | 1,013.00 | 433.00 | 695.00 |
| Typical Crew/Pass Seating | 2/19 | 2/19 | 2/19 |
| Weight-Max Take-off (Lbs.) | 160,000 | 121,000 | 149,500 |
| - Maximum Landing | 139,550 | 110,000 | 130,000 |
| - Basic Operating | 84,950 | 63,200 | 78,100 |
| - Usable Fuel | 46,699 | 39,125 | 46,699 |
| Payload-Full Fuel (Lbs.) | 28,090 | 18,675 | 24,701 |
| - Maximum | 37,050 | 34,800 | 31,875 |
| Certified/IFR Certified | Yes/Yes | Yes/Yes | Yes/Yes |
| Price - New (Typical)/1000 | 37,500 | | 31,000 |
| - Pre Owned Rng/1000 | / | 8,000/8,000 | / |

PERFORMANCE

| | | | |
|-------------------------------|-------|-------|-------|
| Range - NBAA IFR St. Miles | | | |
| Seats Full | 3,315 | 2,550 | 3,425 |
| Tanks Full | 3,400 | 2,930 | 3,550 |
| Range - 30 Min. Res St. Miles | | | |
| Seats Full | | | |
| Tanks Full | | | |
| Bal. Field Length-MTOW (Ft.) | 7,150 | 5,800 | 6,800 |
| Landing Distance - FAR 121 | 5,200 | 4,970 | 5,020 |
| Rate of Climb-All Eng.Ft/Min) | | | |
| - One Engine Out | | | |
| Cruise Speed - Max(KTAS) | 500 | 490 | 500 |
| - Normal | 475 | | 475 |
| - Long Range | | | |
| Stall Speed (IAS) | | | |
| Ceiling - Service (Ft.) | | | |
| - Service OEI | | | |
| - Hover IGE | | | |
| - Hover OGE | | | |

The Aircraft Cost Evaluator

| DIRECT COST - \$ | DC 9-30 | B 737-200 | B 727-100EX |
|-----------------------------------|-----------------|------------------|--------------------|
| Fuel (1) | 1,915.80 | 1,959.06 | 3,139.44 |
| Fuel Additives | 0.00 | 0.00 | 0.00 |
| Lubricants | 0.00 | 0.00 | 0.00 |
| Maintenance Labor (2) | 429.65 | 418.60 | 484.90 |
| Parts Airframe/Eng/Avion (3) | 197.71 | 147.67 | 226.43 |
| Engine Restoration (4) | 217.28 | 217.28 | 419.31 |
| Thrust Reverser Overhaul | 10.00 | 12.00 | 15.00 |
| Propeller Overhaul | 0.00 | 0.00 | 0.00 |
| APU Overhaul | 15.00 | 20.00 | 15.00 |
| Dynamic Comp/Life Ltd Parts | 0.00 | 0.00 | 0.00 |
| Misc Exp. - Landing/Parking | 60.50 | 58.50 | 84.50 |
| - Crew Expenses | 135.00 | 135.00 | 202.50 |
| - Supplies/Catering | 84.00 | 84.00 | 88.00 |
| - Other | 0.00 | 0.00 | 0.00 |
| Fractional Cost/Hour + Tax | 0.00 | 0.00 | 0.00 |
| Total Direct Cost/Hour | 3,064.94 | 3,052.11 | 4,675.08 |
| Average Block Speed-Mph. (5) | 385 | 395 | 437 |
| Total Direct Cost/St. Mile | 7.96 | 7.73 | 10.70 |

FOOTNOTES - \$ Operation: 1 - 2 Aircraft Date: 9/28/2000

| Type of Operation: | Corporate | Corporate | Corporate |
|-----------------------------|-------------|-------------|-------------|
| 1 /Fuel Cost | 2.06 | 2.06 | 2.06 |
| Gallons/Hour | 930 | 951 | 1524 |
| 2 /Maint. Labor Cost/Hour | 65.00 | 65.00 | 65.00 |
| Maint. Hours/Flight Hours | 6.61 | 6.44 | 7.46 |
| 3 /Incl. Engine Parts Cost | No | No | No |
| 4 /Overhaul Cost Source | 99JSSI Comp | Estimated | 99JSSI Comp |
| 5 /Block Speed Source | Oper Exper | Oper Exper | Oper Exper |
| 6 /Crew Salary Source | 98 NBAA +6% | 98 NBAA +6% | 98 NBAA +6% |
| Number of Crew | 2 | 2 | 3 |
| 7 /Insured Hull Value | 10052433 | 13263772 | 6407101 |
| Hull Insurance Rate (%) | 0.75 | 0.75 | 0.75 |
| 8 /Modernization | .4% x Price | .4% x Price | .4% x Price |
| 9 /Refurbish Labor Hrs/Seat | 105 | 105 | 105 |
| 10/Comp. Mx Program Source | MxManager | MxManager | MxManager |
| 11/Weather Service Source | Typical | Typical | Typical |
| 12/Aircraft Purchase Price | 10052433 | 13263772 | 6407101 |
| Depreciation Rate | 10% per yr | 10% per yr | 10% per yr |
| 13/Market Depr % / Year | 4 | 4 | 4 |

The Aircraft Cost Evaluator

| FIXED COST - \$ | DC 9-30 | B 737-200 | B 727-100EX |
|-------------------------------------|------------------|------------------|--------------------|
| Crew Salaries - Captain (6) | 95,188 | 95,188 | 95,188 |
| - Co Pilot | 68,900 | 68,900 | 68,900 |
| - Flt Eng/Other | 0 | 0 | 70,490 |
| - Benefits | 49,226 | 49,226 | 70,373 |
| Hangar - Typical | 143,558 | 143,558 | 143,558 |
| Insurance - Hull (7) | 75,393 | 99,478 | 48,053 |
| Admitted Liability | 5,250 | 5,250 | 5,500 |
| Legal Liability | 16,000 | 16,000 | 16,000 |
| Recurrent Training | 47,400 | 47,400 | 71,100 |
| Aircraft Modernization (8) | 40,210 | 53,055 | 25,628 |
| Navigation Chart Service | 9,921 | 9,921 | 9,921 |
| Refurbishing (9) | 129,675 | 129,675 | 129,675 |
| Computer Mx. Program (10) | 1,850 | 1,850 | 1,850 |
| Weather Service (11) | 2,235 | 2,235 | 2,235 |
| Other Fixed Costs | 0 | 0 | 0 |
| Fractional Cost/Yr + Tax | 0 | 0 | 0 |
| Book Depreciation (12) | 1,005,243 | 1,326,377 | 640,710 |
| Total Fixed Cost/Year | 1,690,050 | 2,048,114 | 1,399,182 |
| ANNUAL BUDGET - \$ | Corporate | Corporate | Corporate |
| Utilization - St. Miles | 200,000 | 200,000 | 200,000 |
| - Hours | 519 | 506 | 458 |
| Direct Cost | 1,590,704 | 1,544,368 | 2,141,187 |
| Fixed Cost | 1,690,050 | 2,048,114 | 1,399,182 |
| Total Cost (Book Dep.) | 3,280,754 | 3,592,482 | 3,540,369 |
| - Per Hour | 6,321 | 7,100 | 7,730 |
| - Per St. Mile | 16.40 | 17.96 | 17.70 |
| - Per Seat St. Mile | .86 | .95 | .93 |
| Total Cost (No Depreciation) | 2,275,510 | 2,266,105 | 2,899,659 |
| - Per Hour | 4,384 | 4,478 | 6,331 |
| - Per St. Mile | 11.38 | 11.33 | 14.50 |
| - Per Seat St. Mile | .60 | .60 | .76 |
| Total Cost (No Depreciation) | 2,275,510 | 2,266,105 | 2,899,659 |
| Market Depreciation (13) | 402,097 | 530,551 | 256,284 |
| Total Cost (Market Dep.) | 2,677,608 | 2,796,656 | 3,155,943 |
| - Per Hour | 5,159 | 5,527 | 6,891 |
| - Per St. Mile | 13.39 | 13.98 | 15.78 |
| - Per Seat St. Mile | .70 | .74 | .83 |

The Aircraft Cost Evaluator

| GENERAL - \$ | DC 9-30 | B 737-200 | B 727-100EX |
|----------------------------|-------------|-----------|--------------|
| Cabin-Height (Ft.) | 6.80 | 7.30 | 7.30 |
| - Width | 10.10 | 11.60 | 11.60 |
| - Length | 55.80 | 68.50 | 72.70 |
| Cabin volume (Cu. Ft.) | 3,745.00 | 4,636.00 | 5,133.00 |
| Cabin Door Height (Ft.) | 6.00 | 6.00 | 6.00 |
| - Width | 2.80 | 2.80 | 2.80 |
| Baggage -Int. (Cu.Ft.) | 195.00 | 95.00 | 400.00 |
| - External | 433.00 | 875.00 | 0.00 |
| Typical Crew/Pass Seating | 2/19 | 2/19 | 3/19 |
| Weight-Max Take-off (Lbs.) | 121,000 | 117,000 | 169,000 |
| - Maximum Landing | 110,000 | 109,000 | 142,500 |
| - Basic Operating | 63,200 | 59,235 | 95,000 |
| - Usable Fuel | 39,125 | 28,354 | 73,400 |
| Payload-Full Fuel (Lbs.) | 18,675 | 21,411 | 1,560 |
| - Maximum | 34,800 | 35,765 | 28,500 |
| Certified/IFR Certified | Yes/Yes | Yes/Yes | Yes/Yes |
| Price - New (Typical)/1000 | | 33,500 | |
| - Pre Owned Rng/1000 | 8,000/8,000 | / | 3,500/23,400 |

PERFORMANCE

| | | | |
|-----------------------------|-------|-------|-------|
| Range-NBAA IFR Res (N.Mi.) | | | |
| Seats Full | 2,550 | 2,091 | 3,580 |
| Tanks Full | 2,930 | 2,191 | 3,880 |
| Range-30 Min. Res (N.Mi.) | | | |
| Seats Full | | | |
| Tanks Full | | | |
| Balanced Field Length (Ft.) | 5,800 | 9,100 | 7,600 |
| Landing Distance - FAR 121 | 4,970 | 5,845 | 7,682 |
| Rate Of Climb (Ft/Min) | | | |
| - One Engine Out | | | |
| Cruise Speed-Max (KTAS) | 490 | 489 | |
| - Normal | | 433 | 453 |
| - Long Range | | 430 | 450 |
| Stall Speed (IAS) | | 102 | |
| Ceiling-Service (Ft.) | | | |
| - Service OEI | | | |
| - Hover IGE | | | |
| - Hover OGE | | | |

The Aircraft Cost Evaluator

| DIRECT COST - \$ | Learjet 35A | HS 125-600A | Falcon 20F |
|-----------------------------------|--------------------|--------------------|-------------------|
| Fuel (1) | 407.88 | 811.64 | 714.82 |
| Fuel Additives | 3.96 | 0.00 | 0.00 |
| Lubricants | 0.00 | 9.74 | 0.00 |
| Maintenance Labor (2) | 190.45 | 301.60 | 302.25 |
| Parts Airframe/Eng/Avion (3) | 149.06 | 261.22 | 251.97 |
| Engine Restoration (4) | 214.74 | 518.90 | 285.72 |
| Thrust Reverser Overhaul | 11.00 | 0.00 | 12.00 |
| Propeller Overhaul | 0.00 | 0.00 | 0.00 |
| APU Overhaul | 0.00 | 22.66 | 22.71 |
| Dynamic Comp/Life Ltd Parts | 0.00 | 0.00 | 0.00 |
| Misc Exp. - Landing/Parking | 9.15 | 12.50 | 14.33 |
| - Crew Expenses | 135.00 | 135.00 | 135.00 |
| - Supplies/Catering | 32.00 | 40.00 | 44.00 |
| - Other | 0.00 | 0.00 | 0.00 |
| Fractional Cost/Hour + Tax | 0.00 | 0.00 | 0.00 |
| Total Direct Cost/Hour | 1,153.24 | 2,113.26 | 1,782.80 |
| Average Block Speed-Mph. (5) | 428 | 407 | 408 |
| Total Direct Cost/St. Mile | 2.69 | 5.19 | 4.37 |

FOOTNOTES - \$ Operation: 1 - 2 Aircraft Date: 9/28/2000

| Type of Operation: | Corporate | Corporate | Corporate |
|-----------------------------|-------------|-------------|-------------|
| 1 /Fuel Cost | 2.06 | 2.06 | 2.06 |
| Gallons/Hour | 198 | 394 | 347 |
| 2 /Maint. Labor Cost/Hour | 65.00 | 65.00 | 65.00 |
| Maint. Hours/Flight Hours | 2.93 | 4.64 | 4.65 |
| 3 /Incl. Engine Parts Cost | No | No | No |
| 4 /Overhaul Cost Source | 99JSSI Comp | Estimated | 99JSSI Comp |
| 5 /Block Speed Source | AC Manual | AC Manual | AC Manual |
| 6 /Crew Salary Source | 98 NBAA +6% | 98 NBAA +6% | 98 NBAA +6% |
| Number of Crew | 2 | 2 | 2 |
| 7 /Insured Hull Value | 4425000 | 1355000 | 4100000 |
| Hull Insurance Rate (%) | 0.25 | 0.25 | 0.25 |
| 8 /Modernization | .4% x Price | .4% x Price | .4% x Price |
| 9 /Refurbish Labor Hrs/Seat | 30 | 40 | 40 |
| 10/Comp. Mx Program Source | MxManager | MxManager | MxManager |
| 11/Weather Service Source | Typical | Typical | Typical |
| 12/Aircraft Purchase Price | 4425000 | 1355000 | 4100000 |
| Depreciation Rate | 10% per yr | 10% per yr | 10% per yr |
| 13/Market Depr % / Year | 5 | 5 | 5 |

The Aircraft Cost Evaluator

| FIXED COST - \$ | Learjet 35A | HS 125-600A | Falcon 20F |
|------------------------------|--------------------|--------------------|-------------------|
| Crew Salaries - Captain (6) | 67,302 | 79,500 | 79,500 |
| - Co Pilot | 45,050 | 58,645 | 58,645 |
| - Flt Eng/Other | 0 | 0 | 0 |
| - Benefits | 33,706 | 41,444 | 41,444 |
| Hangar - Typical | 40,307 | 54,479 | 54,479 |
| Insurance - Hull (7) | 11,063 | 3,388 | 10,250 |
| Admitted Liability | 2,000 | 2,500 | 2,750 |
| Legal Liability | 14,000 | 14,000 | 14,000 |
| Recurrent Training | 14,200 | 21,600 | 21,600 |
| Aircraft Modernization (8) | 17,700 | 5,420 | 16,400 |
| Navigation Chart Service | 2,765 | 5,184 | 5,184 |
| Refurbishing (9) | 11,700 | 20,800 | 23,400 |
| Computer Mx. Program (10) | 1,850 | 1,850 | 1,850 |
| Weather Service (11) | 2,235 | 2,235 | 2,235 |
| Other Fixed Costs | 0 | 0 | 0 |
| Fractional Cost/Yr + Tax | 0 | 0 | 0 |
| Book Depreciation (12) | 442,500 | 135,500 | 410,000 |
| Total Fixed Cost/Year | 706,377 | 446,544 | 741,737 |

| ANNUAL BUDGET - \$ | Corporate | Corporate | Corporate |
|-------------------------------------|------------------|------------------|------------------|
| Utilization - St. Miles | 200,000 | 200,000 | 200,000 |
| - Hours | 467 | 491 | 490 |
| Direct Cost | 538,563 | 1,037,611 | 873,572 |
| Fixed Cost | 706,377 | 446,544 | 741,737 |
| Total Cost (Book Dep.) | 1,244,940 | 1,484,155 | 1,615,309 |
| - Per Hour | 2,666 | 3,023 | 3,297 |
| - Per St. Mile | 6.22 | 7.42 | 8.08 |
| - Per Seat St. Mile | 1.04 | .93 | .90 |
| Total Cost (No Depreciation) | 802,440 | 1,348,655 | 1,205,309 |
| - Per Hour | 1,718 | 2,747 | 2,460 |
| - Per St. Mile | 4.01 | 6.74 | 6.03 |
| - Per Seat St. Mile | .67 | .84 | .67 |
| Total Cost (No Depreciation) | 802,440 | 1,348,655 | 1,205,309 |
| Market Depreciation (13) | 221,250 | 67,750 | 205,000 |
| Total Cost (Market Dep.) | 1,023,690 | 1,416,405 | 1,410,309 |
| - Per Hour | 2,192 | 2,885 | 2,878 |
| - Per St. Mile | 5.12 | 7.08 | 7.05 |
| - Per Seat St. Mile | .85 | .89 | .78 |

The Aircraft Cost Evaluator

| GENERAL - \$ | Learjet 35A | HS 125-600A | Falcon 20F |
|----------------------------|-------------|-------------|-------------|
| Cabin-Height (Ft.) | 4.30 | 5.80 | 5.70 |
| - Width | 4.90 | 6.00 | 6.10 |
| - Length | 12.90 | 21.30 | 24.40 |
| Cabin volume (Cu. Ft.) | 268.00 | 604.00 | 700.00 |
| Cabin Door Height (Ft.) | 4.20 | 4.30 | 4.80 |
| - Width | 3.00 | 2.30 | 2.70 |
| Baggage -Int. (Cu.Ft.) | 40.00 | 40.00 | 60.00 |
| - External | 0.00 | 0.00 | 0.00 |
| Typical Crew/Pass Seating | 2/6 | 2/8 | 2/9 |
| Weight-Max Take-off (Lbs.) | 18,300 | 25,000 | 28,660 |
| - Maximum Landing | 15,300 | 22,000 | 27,320 |
| - Basic Operating | 10,310 | 14,100 | 17,900 |
| - Usable Fuel | 6,198 | 9,450 | 9,098 |
| Payload-Full Fuel (Lbs.) | 1,992 | 1,450 | 1,662 |
| - Maximum | 3,190 | 1,450 | 1,700 |
| Certified/IFR Certified | Yes/Yes | Yes/Yes | Yes/Yes |
| Price - New (Typical)/1000 | 4,795 | 2,000 | 6,497 |
| - Pre Owned Rng/1000 | 2,250/4,600 | / | 2,495/2,995 |

PERFORMANCE

| | | | |
|-----------------------------|--------|--------|--------|
| Range-NBAA IFR Res (N.Mi.) | | | |
| Seats Full | 1,930 | 1,090 | 1,340 |
| Tanks Full | 2,125 | 1,190 | 1,500 |
| Range-30 Min. Res (N.Mi.) | | | |
| Seats Full | | | |
| Tanks Full | | | |
| Balanced Field Length (Ft.) | 5,300 | 5,950 | 5,075 |
| Landing Distance - FAR 121 | 4,400 | 3,701 | 3,320 |
| Rate Of Climb (Ft/Min) | 4,340 | 3,550 | 3,300 |
| - One Engine Out | 1,280 | 420 | 715 |
| Cruise Speed-Max (KTAS) | 470 | 460 | 460 |
| - Normal | 436 | 436 | 435 |
| - Long Range | 424 | 402 | 392 |
| Stall Speed (IAS) | 89 | 86 | 83 |
| Ceiling-Service (Ft.) | 41,000 | | 37,000 |
| - Service OEI | 25,000 | 24,000 | 13,000 |
| - Hover IGE | | | |
| - Hover OGE | | | |

The Aircraft Cost Evaluator

| DIRECT COST - \$ | G - III | CL 601-3AER | Falcon 50 |
|-----------------------------------|-----------------|--------------------|------------------|
| Fuel (1) | 1,104.16 | 599.46 | 735.42 |
| Fuel Additives | 0.00 | 0.00 | 0.00 |
| Lubricants | 0.00 | 0.00 | 0.00 |
| Maintenance Labor (2) | 300.95 | 253.50 | 184.60 |
| Parts Airframe/Eng/Avion (3) | 349.01 | 268.30 | 183.12 |
| Engine Restoration (4) | 290.72 | 449.56 | 342.66 |
| Thrust Reverser Overhaul | 17.00 | 0.00 | 0.00 |
| Propeller Overhaul | 0.00 | 0.00 | 0.00 |
| APU Overhaul | 31.40 | 30.80 | 24.40 |
| Dynamic Comp/Life Ltd Parts | 0.00 | 0.00 | 0.00 |
| Misc Exp. - Landing/Parking | 34.85 | 22.30 | 19.40 |
| - Crew Expenses | 135.00 | 135.00 | 135.00 |
| - Supplies/Catering | 56.00 | 44.00 | 44.00 |
| - Other | 0.00 | 0.00 | 0.00 |
| Fractional Cost/Hour + Tax | 0.00 | 0.00 | 0.00 |
| Total Direct Cost/Hour | 2,319.09 | 1,802.92 | 1,668.60 |
| Average Block Speed-Mph. (5) | 440 | 422 | 439 |
| Total Direct Cost/St. Mile | 5.27 | 4.27 | 3.80 |

FOOTNOTES - \$ Operation: 1 - 2 Aircraft Date: 9/28/2000

| Type of Operation: | Corporate | Corporate | Corporate |
|-----------------------------|-------------|-------------|-------------|
| 1 /Fuel Cost | 2.06 | 2.06 | 2.06 |
| Gallons/Hour | 536 | 291 | 357 |
| 2 /Maint. Labor Cost/Hour | 65.00 | 65.00 | 65.00 |
| Maint. Hours/Flight Hours | 4.63 | 3.90 | 2.84 |
| 3 /Incl. Engine Parts Cost | No | No | No |
| 4 /Overhaul Cost Source | 99JSSI Comp | 99JSSI Comp | 99JSSI Comp |
| 5 /Block Speed Source | AC Manual | Mftr Data | AC Manual |
| 6 /Crew Salary Source | 98 NBAA +6% | 98 NBAA +6% | 98 NBAA +6% |
| Number of Crew | 2 | 2 | 2 |
| 7 /Insured Hull Value | 13150000 | 18046000 | 15100000 |
| Hull Insurance Rate (%) | 0.20 | 0.20 | 0.20 |
| 8 /Modernization | .4% x Price | .4% x Price | .4% x Price |
| 9 /Refurbish Labor Hrs/Seat | 105 | 105 | 105 |
| 10/Comp. Mx Program Source | MxManager | MxManager | MxManager |
| 11/Weather Service Source | Typical | Typical | Typical |
| 12/Aircraft Purchase Price | 13150000 | 18046000 | 15100000 |
| Depreciation Rate | 10% per yr | 10% per yr | 10% per yr |
| 13/Market Depr % / Year | 4 | 4 | 4 |

The Aircraft Cost Evaluator

| FIXED COST - \$ | G - III | CL 601-3AER | Falcon 50 |
|------------------------------|------------------|--------------------|------------------|
| Crew Salaries - Captain (6) | 95,188 | 95,188 | 95,188 |
| - Co Pilot | 68,900 | 68,900 | 68,900 |
| - Flt Eng/Other | 0 | 0 | 0 |
| - Benefits | 49,226 | 49,226 | 49,226 |
| Hangar - Typical | 104,724 | 104,724 | 104,724 |
| Insurance - Hull (7) | 26,300 | 36,092 | 30,200 |
| Admitted Liability | 3,500 | 2,750 | 2,750 |
| Legal Liability | 16,000 | 16,000 | 16,000 |
| Recurrent Training | 28,000 | 31,200 | 28,400 |
| Aircraft Modernization (8) | 52,600 | 72,184 | 60,400 |
| Navigation Chart Service | 9,921 | 9,921 | 9,921 |
| Refurbishing (9) | 81,900 | 61,425 | 61,425 |
| Computer Mx. Program (10) | 1,850 | 1,850 | 1,850 |
| Weather Service (11) | 2,235 | 2,235 | 2,235 |
| Other Fixed Costs | 0 | 0 | 0 |
| Fractional Cost/Yr + Tax | 0 | 0 | 0 |
| Book Depreciation (12) | 1,315,000 | 1,804,600 | 1,510,000 |
| Total Fixed Cost/Year | 1,855,344 | 2,356,296 | 2,041,219 |

| ANNUAL BUDGET - \$ | Corporate | Corporate | Corporate |
|-------------------------------------|------------------|------------------|------------------|
| Utilization - St. Miles | 200,000 | 200,000 | 200,000 |
| - Hours | 455 | 474 | 456 |
| Direct Cost | 1,055,186 | 854,584 | 760,882 |
| Fixed Cost | 1,855,344 | 2,356,296 | 2,041,219 |
| Total Cost (Book Dep.) | 2,910,531 | 3,210,880 | 2,802,101 |
| - Per Hour | 6,397 | 6,774 | 6,145 |
| - Per St. Mile | 14.55 | 16.05 | 14.01 |
| - Per Seat St. Mile | 1.21 | 1.78 | 1.56 |
| Total Cost (No Depreciation) | 1,595,530 | 1,406,280 | 1,292,101 |
| - Per Hour | 3,507 | 2,967 | 2,834 |
| - Per St. Mile | 7.98 | 7.03 | 6.46 |
| - Per Seat St. Mile | .66 | .78 | .72 |
| Total Cost (No Depreciation) | 1,595,530 | 1,406,280 | 1,292,101 |
| Market Depreciation (13) | 526,000 | 721,840 | 604,000 |
| Total Cost (Market Dep.) | 2,121,531 | 2,128,120 | 1,896,101 |
| - Per Hour | 4,663 | 4,490 | 4,158 |
| - Per St. Mile | 10.61 | 10.64 | 9.48 |
| - Per Seat St. Mile | .88 | 1.18 | 1.05 |

The Aircraft Cost Evaluator

| GENERAL - \$ | G - III | CL 601-3AER | Falcon 50 |
|----------------------------|--------------|-------------|---------------|
| Cabin-Height (Ft.) | 6.10 | 6.10 | 5.80 |
| - Width | 7.30 | 8.20 | 6.10 |
| - Length | 41.30 | 28.30 | 23.50 |
| Cabin volume (Cu. Ft.) | 1,345.00 | 1,035.00 | 700.00 |
| Cabin Door Height (Ft.) | 5.20 | 5.80 | 5.00 |
| - Width | 3.00 | 3.00 | 2.60 |
| Baggage -Int. (Cu.Ft.) | 157.00 | 115.00 | 25.00 |
| - External | 0.00 | 0.00 | 90.00 |
| Typical Crew/Pass Seating | 2/12 | 2/9 | 2/9 |
| Weight-Max Take-off (Lbs.) | 69,700 | 44,600 | 38,800 |
| - Maximum Landing | 58,500 | 36,000 | 35,715 |
| - Basic Operating | 39,500 | 26,250 | 22,000 |
| - Usable Fuel | 28,090 | 17,755 | 15,520 |
| Payload-Full Fuel (Lbs.) | 2,610 | 745 | 1,280 |
| - Maximum | 4,500 | 3,250 | 3,570 |
| Certified/IFR Certified | Yes/Yes | Yes/Yes | Yes/Yes |
| Price - New (Typical)/1000 | 16,000 | 18,336 | 15,000 |
| - Pre Owned Rng/1000 | 9,900/12,995 | / | 12,000/14,750 |

PERFORMANCE

| | | | |
|-----------------------------|--------|--------|--------|
| Range-NBAA IFR Res (N.Mi.) | | | |
| Seats Full | 3,460 | 3,480 | 2,863 |
| Tanks Full | 3,750 | 3,620 | 3,119 |
| Range-30 Min. Res (N.Mi.) | | | |
| Seats Full | | | |
| Tanks Full | | | |
| Balanced Field Length (Ft.) | 5,400 | 5,875 | 5,000 |
| Landing Distance - FAR 121 | 4,500 | 4,927 | 3,600 |
| Rate Of Climb (Ft/Min) | 4,210 | 4,035 | 3,430 |
| - One Engine Out | 1,470 | 1,047 | 592 |
| Cruise Speed-Max (KTAS) | 500 | 459 | 480 |
| - Normal | 478 | 443 | 431 |
| - Long Range | 427 | 425 | 410 |
| Stall Speed (IAS) | 91 | 92 | 82 |
| Ceiling-Service (Ft.) | 43,000 | 38,400 | 41,000 |
| - Service OEI | 27,000 | 18,100 | 31,800 |
| - Hover IGE | | | |
| - Hover OGE | | | |

The Aircraft Cost Evaluator

DIRECT COST - \$ **DHC 6-300**

| | |
|----------------|--------|
| Fuel (1) | 191.58 |
| Fuel Additives | 0.00 |
| Lubricants | 0.00 |

| | |
|------------------------------|-------|
| Maintenance Labor (2) | 72.80 |
| Parts Airframe/Eng/Avion (3) | 58.45 |

| | |
|-----------------------------|--------|
| Engine Restoration (4) | 119.98 |
| Thrust Reverser Overhaul | 0.00 |
| Propeller Overhaul | 1.60 |
| APU Overhaul | 0.00 |
| Dynamic Comp/Life Ltd Parts | 0.00 |

| | |
|-----------------------------|--------|
| Misc Exp. - Landing/Parking | 6.25 |
| - Crew Expenses | 135.00 |
| - Supplies/Catering | 48.00 |
| - Other | 0.00 |
| Fractional Cost/Hour + Tax | 0.00 |

| | |
|-------------------------------|--------|
| Total Direct Cost/Hour | 633.66 |
| Average Block Speed-Mph. (5) | 188 |

| | |
|-----------------------------------|------|
| Total Direct Cost/St. Mile | 3.37 |
|-----------------------------------|------|

FOOTNOTES - \$ Operation: 1 - 2 Aircraft Date: 9/28/2000

| | |
|-----------------------------|-------------|
| Type of Operation: | Corporate |
| 1 /Fuel Cost | 2.06 |
| Gallons/Hour | 93 |
| 2 /Maint. Labor Cost/Hour | 65.00 |
| Maint. Hours/Flight Hours | 1.12 |
| 3 /Incl. Engine Parts Cost | No |
| 4 /Overhaul Cost Source | 99JSSI Comp |
| 5 /Block Speed Source | Mftr Data |
| 6 /Crew Salary Source | 98 NBAA +6% |
| Number of Crew | 2 |
| 7 /Insured Hull Value | 1590412 |
| Hull Insurance Rate (%) | 0.55 |
| 8 /Modernization | .4% x Price |
| 9 /Refurbish Labor Hrs/Seat | 20 |
| 10/Comp. Mx Program Source | MxManager |
| 11/Weather Service Source | Typical |
| 12/Aircraft Purchase Price | 1590412 |
| Depreciation Rate | 10% per yr |
| 13/Market Depr % / Year | 6 |

The Aircraft Cost Evaluator

FIXED COST - \$**DHC 6-300**

| | |
|-----------------------------|--------|
| Crew Salaries - Captain (6) | 61,268 |
| - Co Pilot | 42,400 |
| - Flt Eng/Other | 0 |
| - Benefits | 31,100 |
| Hangar - Typical | 24,147 |
| Insurance - Hull (7) | 8,747 |
| Admitted Liability | 3,600 |
| Legal Liability | 8,000 |

| | |
|----------------------------|--------|
| Recurrent Training | 9,800 |
| Aircraft Modernization (8) | 6,362 |
| Navigation Chart Service | 1,277 |
| Refurbishing (9) | 13,000 |
| Computer Mx. Program (10) | 1,850 |
| Weather Service (11) | 2,235 |
| Other Fixed Costs | 0 |
| Fractional Cost/Yr + Tax | 0 |

| | |
|------------------------|---------|
| Book Depreciation (12) | 159,041 |
|------------------------|---------|

| | |
|------------------------------|----------------|
| Total Fixed Cost/Year | 372,828 |
|------------------------------|----------------|

ANNUAL BUDGET - \$**Corporate**

| | |
|-------------------------|---------|
| Utilization - St. Miles | 135,000 |
| - Hours | 718 |

| | |
|-------------------------------|----------------|
| Direct Cost | 454,968 |
| Fixed Cost | 372,828 |
| Total Cost (Book Dep.) | 827,795 |
| - Per Hour | 1,153 |
| - Per St. Mile | 6.13 |
| - Per Seat St. Mile | .61 |

| | |
|-------------------------------------|----------------|
| Total Cost (No Depreciation) | 668,754 |
| - Per Hour | 931 |
| - Per St. Mile | 4.95 |
| - Per Seat St. Mile | .50 |

| | |
|---------------------------------|----------------|
| Total Cost (No Depreciation) | 668,754 |
| Market Depreciation (13) | 95,425 |
| Total Cost (Market Dep.) | 764,179 |
| - Per Hour | 1,064 |
| - Per St. Mile | 5.66 |
| - Per Seat St. Mile | .57 |

The Aircraft Cost Evaluator

GENERAL - \$ DHC 6-300

| | |
|---------------------------|--------|
| Cabin-Height (Ft.) | 4.90 |
| - Width | 5.27 |
| - Length | 18.50 |
| Cabin volume (Cu. Ft.) | 384.00 |
| Cabin Door Height (Ft.) | 4.17 |
| - Width | 4.67 |
| Baggage -Int. (Cu.Ft.) | 88.00 |
| - External | 38.00 |
| Typical Crew/Pass Seating | 2/10 |

| | |
|----------------------------|--------|
| Weight-Max Take-off (Lbs.) | 12,500 |
| - Maximum Landing | 12,300 |
| - Basic Operating | 7,377 |
| - Usable Fuel | 2,457 |
| Payload-Full Fuel (Lbs.) | 2,666 |
| - Maximum | 5,123 |

| | |
|-------------------------|---------|
| Certified/IFR Certified | Yes/Yes |
|-------------------------|---------|

| | |
|----------------------------|-------|
| Price - New (Typical)/1000 | 1,900 |
| - Pre Owned Rng/1000 | / |

PERFORMANCE

| | |
|----------------------------|-----|
| Range-NBAA IFR Res (N.Mi.) | |
| Seats Full | 540 |
| Tanks Full | 580 |

| | |
|-----------------------------|-------|
| Range-30 Min. Res (N.Mi.) | |
| Seats Full | |
| Tanks Full | |
| Balanced Field Length (Ft.) | 2,700 |
| Landing Distance - FAR 121 | 2,200 |

| | |
|------------------------|-------|
| Rate Of Climb (Ft/Min) | 1,440 |
| - One Engine Out | 300 |

| | |
|-------------------------|-----|
| Cruise Speed-Max (KTAS) | |
| - Normal | 175 |
| - Long Range | 150 |
| Stall Speed (IAS) | 58 |

| | |
|-----------------------|--------|
| Ceiling-Service (Ft.) | 27,700 |
| - Service OEI | 11,200 |
| - Hover IGE | |
| - Hover OGE | |

Cost Of Ownership Analysis

For: DOE AL N334DD 9-Jun-00

Aircraft: Gulfstream III

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: New Mexico

Additional state taxes or fees not included in the analysis that may be applicable:

- Aircraft Registration Fee

Notes: Gulfstream III Future Fleet GOCO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N334DD

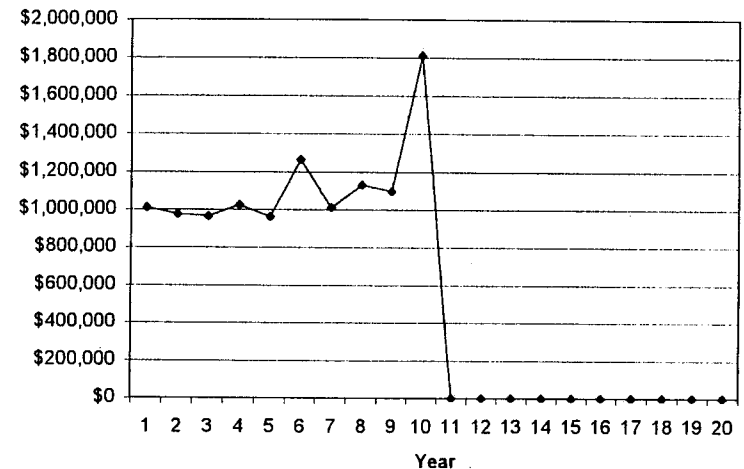
Type of Operation: Government

Make/Model: Used Gulfstream III Date: 9-Jun-00

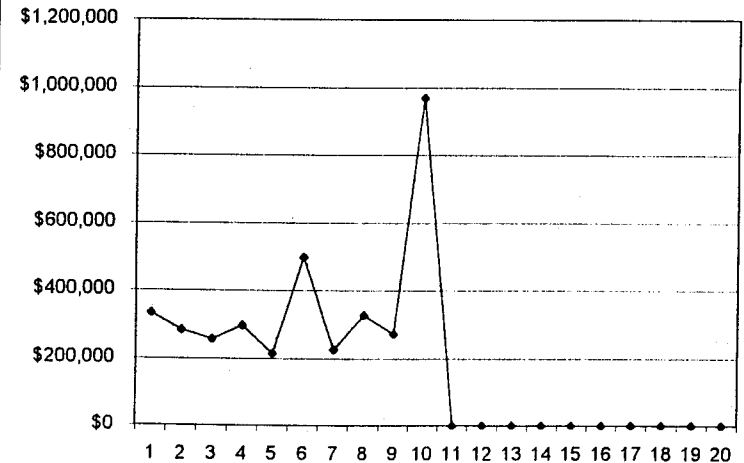
Program Length: 10 Years Acquisition: Purchase

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 350 | | Purchase Price | \$ 12,050,000 | |
| Cycles/Hour | 0.7 | | State Sales Tax: | \$ - | |
| Residual Value | 100 | % | Spares + Tooling: | \$ - | |
| MX Labor Rate | \$ 61.76 | /MH | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ - | |
| | | | Total | \$ 12,050,000 | |
| Airframe Status: | | | | | |
| Total Hours | 7000 | | Lease/Finance Payments: | | |
| Total Years | 18 | | Finance Cost/Year | \$ - | |
| Total Cycles | 4900 | | Final Payment | \$ - | |
| | | | Lease Cost/Year | \$ - | |
| Ave Inflation: | 2.50% | /Year | | | |
| | | | Insured Value: | \$ - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 6,834,884 | \$ 683,488 | \$ 1,953 | \$ 4.44 |
| Total Fixed Cost | | \$ 3,209,538 | \$ 320,954 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,206,279 | \$ 120,628 | | |
| Total Cost: | | \$ 11,250,701 | \$ 1,125,070 | \$ 3,214 | \$ 7.30 |
| Annual Budget: | Year 1 | \$ 1,008,586 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 975,760 | Year 12 | \$ - | |
| | Year 3 | \$ 966,350 | Year 13 | \$ - | |
| | Year 4 | \$ 1,025,158 | Year 14 | \$ - | |
| | Year 5 | \$ 961,516 | Year 15 | \$ - | |
| | Year 6 | \$ 1,263,173 | Year 16 | \$ - | |
| | Year 7 | \$ 1,010,193 | Year 17 | \$ - | |
| | Year 8 | \$ 1,131,582 | Year 18 | \$ - | |
| | Year 9 | \$ 1,095,083 | Year 19 | \$ - | |
| | Year 10 | \$ 1,813,300 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|----------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Windshield (2) | \$ 108,000 | 0.28 | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|-------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 H.S.I (First Run) | \$ 200,000 | | 3500 | | 10 |
| | 2 Overhaul (First Run) | \$ 410,000 | | 7000 | | 20 |
| | 3 H.S.I (Second Run) | \$ 50,000 | | 10500 | | 30 |
| | 4 Overhaul (Second Run) | \$ 40,000 | | 14000 | | 40 |
| Replacement | 5 | | | | | |
| | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Gulfstream III

Database Date:

Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00.

(Page 2)

DOE AL N344DD

Government

Make/Model:

Used

Gulfstream III

Acquisition:

Purchase

350 Hours/Year

Aircraft Value:

\$

Residual Value:

\$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|--------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|--------------|
| Fuel | \$ | - | \$ 212,315 | \$ 217,623 | \$ 223,064 | \$ 228,640 | \$ 234,357 | \$ 240,215 | \$ 246,221 | \$ 252,376 | \$ 258,686 | \$ 2,113,498 |
| Fuel Additives | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Maint Labor | \$ | - | \$ 110,783 | \$ 118,923 | \$ 126,615 | \$ 134,617 | \$ 142,939 | \$ 151,594 | \$ 160,592 | \$ 169,946 | \$ 179,667 | \$ 1,295,676 |
| Parts | \$ | 17,181 | \$ 128,596 | \$ 138,045 | \$ 146,974 | \$ 156,262 | \$ 165,923 | \$ 175,970 | \$ 186,415 | \$ 197,272 | \$ 208,556 | \$ 1,621,195 |
| Inspections | \$ | - | \$ 92,378 | \$ 38,821 | \$ 97,055 | \$ 10,210 | \$ 288,085 | \$ 10,727 | \$ 107,130 | \$ 45,020 | \$ 112,554 | \$ 801,980 |
| Engine Restoral | \$ | - | - | - | - | - | - | - | - | - | \$ 624,431 | \$ 624,431 |
| Engine Guaranteed Mx Plan | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Avionics Guaranteed Mx Plan | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Component Overhaul (All) | \$ | - | - | \$ 22,063 | - | \$ 151,774 | - | - | - | - | - | \$ 173,837 |
| Life Limited Components (All) | \$ | - | \$ 10,849 | \$ 11,120 | \$ 11,398 | \$ 11,683 | \$ 11,975 | \$ 12,274 | \$ 12,581 | \$ 12,896 | \$ 13,218 | \$ 107,993 |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Fixed Cost | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Landing/Parking Fees | \$ | - | \$ 2,594 | \$ 2,659 | \$ 2,725 | \$ 2,793 | \$ 2,863 | \$ 2,935 | \$ 3,008 | \$ 3,083 | \$ 3,160 | \$ 25,820 |
| Crew Expenses | \$ | 3,817 | \$ 35,782 | \$ 36,676 | \$ 37,593 | \$ 38,533 | \$ 39,496 | \$ 40,484 | \$ 41,496 | \$ 42,533 | \$ 43,597 | \$ 360,007 |
| Small Supplies | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Total Variable Cost | \$ | 20,998 | \$ 593,296 | \$ 685,930 | \$ 645,423 | \$ 734,513 | \$ 885,638 | \$ 634,199 | \$ 757,443 | \$ 723,127 | \$ 1,443,869 | \$ 7,024,437 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|---------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | \$ | - | \$ 127,504 | \$ 130,691 | \$ 133,959 | \$ 137,308 | \$ 140,740 | \$ 144,259 | \$ 147,865 | \$ 151,562 | \$ 155,351 | \$ 1,269,239 |
| Maintenance Technicians | \$ | - | \$ 45,508 | \$ 46,646 | \$ 47,812 | \$ 49,007 | \$ 50,232 | \$ 51,488 | \$ 52,775 | \$ 54,095 | \$ 55,447 | \$ 453,010 |
| Other | \$ | - | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,821 | \$ 27,492 | \$ 28,179 | \$ 28,883 | \$ 29,606 | \$ 241,881 |
| Benefits | \$ | - | \$ 48,913 | \$ 50,136 | \$ 51,389 | \$ 52,674 | \$ 53,991 | \$ 55,341 | \$ 56,724 | \$ 58,142 | \$ 59,596 | \$ 486,908 |
| Hangar | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Insurance | | | | | | | | | | | | |
| Hull | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Liability | \$ | 421 | \$ 3,075 | \$ 3,152 | \$ 3,231 | \$ 3,311 | \$ 3,394 | \$ 3,479 | \$ 3,566 | \$ 3,655 | \$ 3,747 | \$ 31,031 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | \$ | 109,770 | \$ 27,265 | \$ 27,947 | \$ 28,645 | \$ 29,361 | \$ 30,095 | \$ 30,848 | \$ 31,619 | \$ 32,410 | \$ 33,220 | \$ 381,180 |
| Management Fee | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Brokerage Fee | \$ | - | - | - | - | - | - | - | - | - | - | - |
| New Int/Paint/Avionics | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Modernization | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Nav/Weather Services | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Comp Maint Service | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Refurbishing | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Other | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Total Fixed Cost | \$ | 110,191 | \$ 276,564 | \$ 283,478 | \$ 290,565 | \$ 297,829 | \$ 305,275 | \$ 312,906 | \$ 320,729 | \$ 328,747 | \$ 336,966 | \$ 2,863,250 |

| | | | | | | | | | | | | |
|-------------------------------|----|---------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Finance/Lease Cost | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| Aircraft Cash Payment/Resale | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| Final Payment/Loan Payoff | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| Operations Overhead | \$ | 13,119 | \$ 86,986 | \$ 86,941 | \$ 93,599 | \$ 103,234 | \$ 119,091 | \$ 94,711 | \$ 107,817 | \$ 105,187 | \$ 178,083 | \$ 988,769 |
| Administrative Overhead (G&A) | \$ | 13,119 | \$ 86,986 | \$ 86,941 | \$ 93,599 | \$ 103,234 | \$ 119,091 | \$ 94,711 | \$ 107,817 | \$ 105,187 | \$ 178,083 | \$ 988,769 |
| Total Annual Cost | \$ | 157,427 | \$ 1,043,832 | \$ 1,043,289 | \$ 1,123,185 | \$ 1,238,810 | \$ 1,429,095 | \$ 1,138,527 | \$ 1,293,807 | \$ 1,262,249 | \$ 2,137,002 | \$ 11,866,224 |

Life Cycle Cost 2000

Maintenance Cost Data

Gulfstream III

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 3.21 | MH/FH | Airframe: | \$ 242.20 | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|------------------------|--------------------|------------------|-----------|--------|-------|
| | Name: | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 12 Month | \$ 9,250 | | | | 1 |
| | 2 24 Month | \$ 90,125 | | | | 2 |
| | 3 36 Month | \$ 20,000 | | | | 3 |
| | 4 72 Month | \$ 118,150 | | | | 6 |
| | 5 Flight Control Hinge | \$ 38,650 | | | | 6 |
| | 6 Wing NDT | \$ 7,700 | | | | 3 |
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| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|-----------------------|---------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| | 1 Landing Gear (3) | \$ 137,500 | | | 5000 | |
| | 2 M/G Brace (2) | \$ 22,000 | | | 4000 | |
| | 3 Bootstrap Turbine | \$ 21,000 | | 4000 | | |
| | 4 Thrust Reverser (2) | \$ 160,000 | | | 4000 | |
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Cost Of Ownership Analysis

| | | |
|--------------------|----------------|----------|
| For: | DOE AL N344DD | 7-Jun-00 |
| Aircraft: | Gulfstream III | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: G III Present Fleet - Should Costs
Ops. O/H at 10% and G&A at 10%

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N344DD

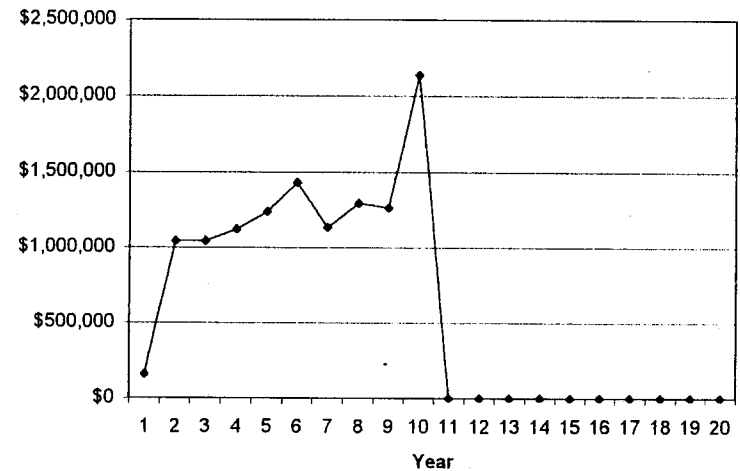
Type of Operation: Government

Make/Model: Used Gulfstream III Date: 7-Jun-00

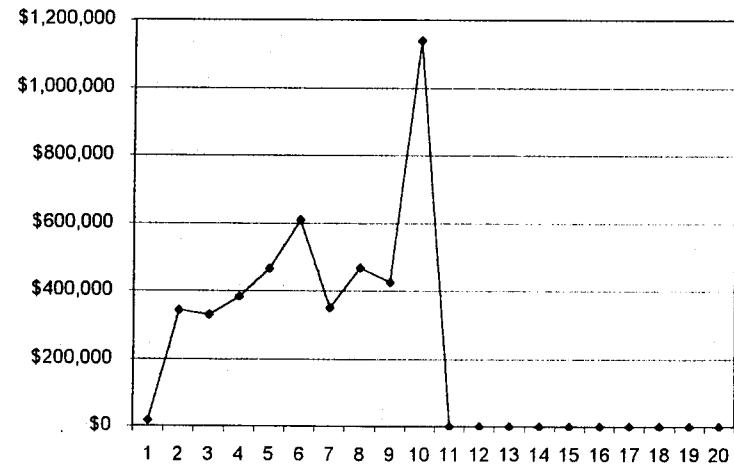
Program Length: 10 Years Acquisition: Purchase

| Program Data: | | Acquisition Cost + Sales Tax: | | | |
|-------------------------------|--------------|-------------------------------|--------------|------------|--------------|
| Hrs/Year | 350 | Purchase Price | \$ | 12,050,000 | |
| Cycles/Hour | 0.57 | State Sales Tax: | \$ | - | |
| Residual Value | 100 % | Spares + Tooling: | \$ | - | |
| MX Labor Rate | \$ 65.00 /MH | Initial Training: | \$ | - | |
| Fuel Cost | \$ 1.27 /GAL | Trade-in/Other: | \$ | - | |
| | | Total | \$ | 12,050,000 | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 7123 | Finance Cost/Year | \$ | - | |
| Total Years | 18 | Final Payment | \$ | - | |
| Total Cycles | 4087 | Lease Cost/Year | \$ | - | |
| Ave Inflation: | 2.50% /Year | Insured Value: | \$ | - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | \$ | - | | | |
| Total Direct Cost | \$ | 7,024,437 | \$ 702,444 | \$ 2,230 | \$ 5.07 |
| Total Fixed Cost | \$ | 2,863,250 | \$ 286,325 | | |
| Residual Value | \$ | - | | | |
| Total Finance/Lease Cost | \$ | - | \$ - | | |
| Ops + Admin Overhead | \$ | 1,977,537 | \$ 197,754 | | |
| Total Cost: | \$ | 11,865,224 | \$ 1,186,522 | \$ 3,767 | \$ 8.56 |
| Annual Budget: | Year 1 | \$ 157,427 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 1,043,832 | Year 12 | \$ - | |
| | Year 3 | \$ 1,043,289 | Year 13 | \$ - | |
| | Year 4 | \$ 1,123,185 | Year 14 | \$ - | |
| | Year 5 | \$ 1,238,810 | Year 15 | \$ - | |
| | Year 6 | \$ 1,429,095 | Year 16 | \$ - | |
| | Year 7 | \$ 1,136,527 | Year 17 | \$ - | |
| | Year 8 | \$ 1,293,807 | Year 18 | \$ - | |
| | Year 9 | \$ 1,262,249 | Year 19 | \$ - | |
| | Year 10 | \$ 2,137,002 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | Cycles | Years |
|--------------------|----------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | | |
| 1 | Windshield (2) | \$ 108,000 | 0.28 | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
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| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | Cycles | Years |
|-----------------------------------|-------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | | |
| Inspection | 1 H.S.I (First Run) | \$ 200,000 | | 3500 | | 10 |
| | 2 Overhaul (First Run) | \$ 410,000 | | 7000 | | 20 |
| | 3 H.S.I (Second Run) | \$ 50,000 | | 10500 | | 30 |
| | 4 Overhaul (Second Run) | \$ 40,000 | | 14000 | | 40 |
| 5 | | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
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Maintenance Cost Data

Gulfstream III

Database Date:

Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00

(Page 2)

DOE AL N344DD

Government

Make/Model:

Used

Gulfstream III

Acquisition: Purchase

350 Hours/Year

Aircraft Value:

\$

Residual Value:

\$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|--------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|--------------|
| Fuel | \$ | - | \$ 212,315 | \$ 217,623 | \$ 223,064 | \$ 228,640 | \$ 234,357 | \$ 240,215 | \$ 246,221 | \$ 252,376 | \$ 258,686 | \$ 2,113,498 |
| Fuel Additives | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Maint Labor | \$ | - | \$ 110,783 | \$ 118,923 | \$ 126,615 | \$ 134,617 | \$ 142,939 | \$ 151,594 | \$ 160,592 | \$ 169,946 | \$ 179,667 | \$ 1,295,676 |
| Parts | \$ | 17,181 | \$ 128,596 | \$ 138,045 | \$ 146,974 | \$ 156,262 | \$ 165,923 | \$ 175,970 | \$ 186,415 | \$ 197,272 | \$ 208,556 | \$ 1,521,195 |
| Inspections | \$ | - | \$ 92,378 | \$ 38,821 | \$ 97,055 | \$ 10,210 | \$ 288,085 | \$ 10,727 | \$ 107,130 | \$ 45,020 | \$ 112,554 | \$ 801,980 |
| Engine Restoral | \$ | - | - | - | - | - | - | - | - | - | \$ 624,431 | \$ 624,431 |
| Engine Guaranteed Mx Plan | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Avionics Guaranteed Mx Plan | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Component Overhaul (All) | \$ | - | - | \$ 22,063 | - | \$ 151,774 | - | - | - | - | - | \$ 173,837 |
| Life Limited Components (All) | \$ | - | \$ 10,849 | \$ 11,120 | \$ 11,398 | \$ 11,683 | \$ 11,975 | \$ 12,274 | \$ 12,681 | \$ 12,896 | \$ 13,218 | \$ 107,993 |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Fixed Cost | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Landing/Parking Fees | \$ | - | \$ 2,694 | \$ 2,659 | \$ 2,725 | \$ 2,793 | \$ 2,863 | \$ 2,935 | \$ 3,008 | \$ 3,083 | \$ 3,160 | \$ 26,820 |
| Crew Expenses | \$ | 3,817 | \$ 35,782 | \$ 36,676 | \$ 37,593 | \$ 38,533 | \$ 39,496 | \$ 40,484 | \$ 41,496 | \$ 42,533 | \$ 43,597 | \$ 360,007 |
| Small Supplies | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Total Variable Cost | \$ | 20,998 | \$ 593,296 | \$ 685,930 | \$ 645,423 | \$ 734,613 | \$ 885,638 | \$ 634,199 | \$ 757,443 | \$ 723,127 | \$ 1,443,869 | \$ 7,024,437 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|---------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | \$ | - | \$ 127,504 | \$ 130,691 | \$ 133,959 | \$ 137,308 | \$ 140,740 | \$ 144,259 | \$ 147,865 | \$ 151,562 | \$ 155,351 | \$ 1,269,239 |
| Maintenance Technicians | \$ | - | \$ 45,508 | \$ 46,646 | \$ 47,812 | \$ 49,007 | \$ 50,232 | \$ 51,488 | \$ 52,776 | \$ 54,095 | \$ 55,447 | \$ 463,010 |
| Other | \$ | - | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,821 | \$ 27,492 | \$ 28,179 | \$ 28,883 | \$ 29,606 | \$ 241,881 |
| Benefits | \$ | - | \$ 48,913 | \$ 50,136 | \$ 51,389 | \$ 52,674 | \$ 53,991 | \$ 55,341 | \$ 56,724 | \$ 58,142 | \$ 59,596 | \$ 486,908 |
| Hangar | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Insurance | | | | | | | | | | | | |
| Hull | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Liability | \$ | 421 | \$ 3,075 | \$ 3,152 | \$ 3,231 | \$ 3,311 | \$ 3,394 | \$ 3,479 | \$ 3,566 | \$ 3,655 | \$ 3,747 | \$ 31,031 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | \$ | 109,770 | \$ 27,265 | \$ 27,947 | \$ 28,645 | \$ 29,361 | \$ 30,095 | \$ 30,848 | \$ 31,619 | \$ 32,410 | \$ 33,220 | \$ 381,180 |
| Management Fee | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Brokerage Fee | \$ | - | - | - | - | - | - | - | - | - | - | - |
| New Int/Paint/Avionics | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Modernization | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Nav/Weather Services | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Comp Maint Service | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Refurbishing | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Other | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Total Fixed Cost | \$ | 110,191 | \$ 276,564 | \$ 283,478 | \$ 290,565 | \$ 297,829 | \$ 305,275 | \$ 312,906 | \$ 320,729 | \$ 328,747 | \$ 336,966 | \$ 2,863,250 |

| | | | | | | | | | | | | |
|-------------------------------|----|---------|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Finance/Lease Cost | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| Aircraft Cash Payment/Resale | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| Final Payment/Loan Payoff | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| Operations Overhead | \$ | 55,149 | \$ 55,528 | \$ 57,941 | \$ 59,389 | \$ 60,874 | \$ 62,396 | \$ 63,956 | \$ 65,555 | \$ 67,194 | \$ 68,874 | \$ 617,855 |
| Administrative Overhead (G&A) | \$ | 22,469 | \$ 23,020 | \$ 23,596 | \$ 24,186 | \$ 24,791 | \$ 25,410 | \$ 26,046 | \$ 26,697 | \$ 27,364 | \$ 28,048 | \$ 251,617 |
| Total Annual Cost | \$ | 208,797 | \$ 949,408 | \$ 950,945 | \$ 1,019,563 | \$ 1,118,006 | \$ 1,278,719 | \$ 1,037,107 | \$ 1,170,424 | \$ 1,146,432 | \$ 1,877,756 | \$ 10,767,158 |

Life Cycle Cost 2000

Maintenance Cost Data

Gulfstream III

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 3.21 | MH/FH | Airframe: | \$ 242.20 | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|----------------------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | 12 Month | \$ 9,250 | | | | 1 |
| | 2 | 24 Month | \$ 90,125 | | | | 2 |
| | 3 | 36 Month | \$ 20,000 | | | | 3 |
| | 4 | 72 Month | \$ 118,150 | | | | 6 |
| | 5 | Flight Control Hinge | \$ 38,650 | | | | 6 |
| | 6 | Wing NDT | \$ 7,700 | | | | 3 |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|---------------------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | Landing Gear (3) | \$ 137,500 | | | 5000 | |
| | 2 | M/G Brace (2) | \$ 22,000 | | | 4000 | |
| | 3 | Bootstrap Turbine | \$ 21,000 | | 4000 | | |
| | 4 | Thrust Reverser (2) | \$ 160,000 | | | 4000 | |
| | 5 | | | | | | |
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| | 20 | | | | | | |

Cost Of Ownership Analysis

| | | |
|--------------------|----------------|----------|
| For: | DOE AL N344DD | 7-Jun-00 |
| Aircraft: | Gulfstream III | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: G III Present Fleet - Costs Normalized

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N344DD

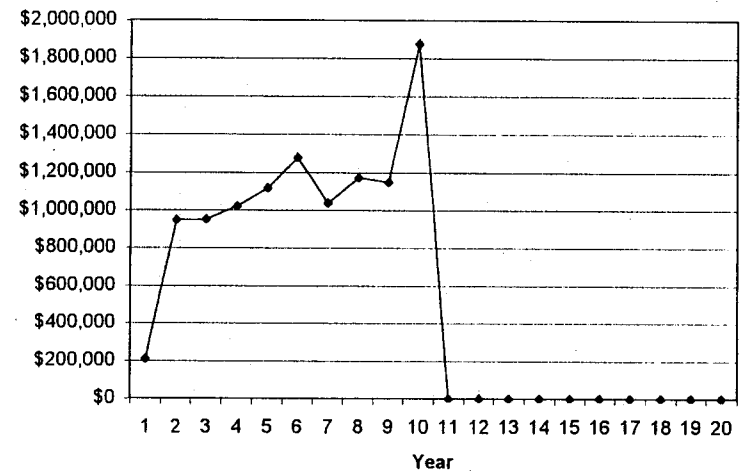
Type of Operation: **Government**

Make/Model: **Used Gulfstream III** Date: **7-Jun-00**

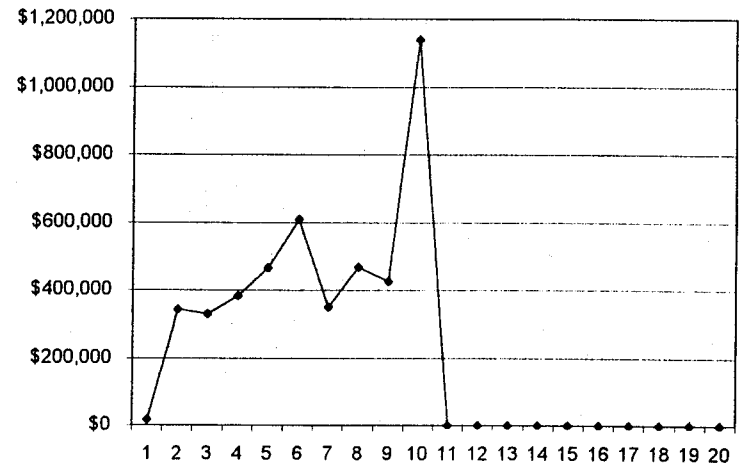
Program Length: **10** Years Acquisition: **Purchase**

| Program Data: | | Acquisition Cost + Sales Tax: | | | |
|-------------------------------|----------|-------------------------------|-------------------|---------------|--------------|
| Hrs/Year | 350 | | Purchase Price | \$ 12,050,000 | |
| Cycles/Hour | 0.57 | | State Sales Tax: | \$ - | |
| Residual Value | 100 | % | Spares + Tooling: | \$ - | |
| MX Labor Rate | \$ 65.00 | /MH | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.27 | /GAL | Trade-in/Other: | \$ - | |
| | | | Total | \$ 12,050,000 | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 7123 | | Finance Cost/Year | \$ - | |
| Total Years | 18 | | Final Payment | \$ - | |
| Total Cycles | 4087 | | Lease Cost/Year | \$ - | |
| | | | | | |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ - | |
| | | | | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 7,024,437 | \$ 702,444 | \$ 2,230 | \$ 5.07 |
| | | | | | |
| Total Fixed Cost | | \$ 2,863,250 | \$ 286,325 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 869,472 | \$ 86,947 | | |
| | | | | | |
| Total Cost: | | \$ 10,757,158 | \$ 1,075,716 | \$ 3,415 | \$ 7.76 |
| Annual Budget: | Year 1 | \$ 208,797 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 949,408 | Year 12 | \$ - | |
| | Year 3 | \$ 950,945 | Year 13 | \$ - | |
| | Year 4 | \$ 1,019,563 | Year 14 | \$ - | |
| | Year 5 | \$ 1,118,006 | Year 15 | \$ - | |
| | Year 6 | \$ 1,278,719 | Year 16 | \$ - | |
| | Year 7 | \$ 1,037,107 | Year 17 | \$ - | |
| | Year 8 | \$ 1,170,424 | Year 18 | \$ - | |
| | Year 9 | \$ 1,146,432 | Year 19 | \$ - | |
| | Year 10 | \$ 1,877,756 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

Input Data

Notes: Additional DC-9 Future Fleet GOCO

| | | | |
|--------------------------------------|------------------------|---|--------------|
| Customer: | DOE AL Additional DC-9 | Type of Operation: | Government |
| Date of Analysis: | 20-Jul-00 | Type of Analysis: | Total Cost |
| Aircraft: | -- | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 40000 | If Straightline; | |
| Total Years | 33 | Term (Years) | 10 |
| Total Cycles | 50000 | Residual Value (%) | 95% |
| Base of Operation: | -- | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 425 | | |
| Cycles per Flt Hr (Airframe): | 1.25 | | |
| Cycles per Flt Hr (Engine): | 1.25 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 6,000,000 | Insured Value | \$ - |
| State Sales Tax: | \$ - | Resale Value | 95.0% |
| Spares + Tooling: | \$ - | Brokerage Fee: | \$ - |
| Initial Training: | \$ - | | |
| Trade-in/Other: | \$ - | | |
| Total | \$ 6,000,000 | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.50 | Fuel Consumption (Gallon/Flt Hr) | 950 |
| Maintenance Labor Rate (\$/MH) | \$ 61.76 | Other | \$ 2.50 |
| | | Hangar Cost (\$/Year): | \$ - |
| Fixed Cost Input | | Nav & Weather Service (\$/Yr.): | \$ 5,942 |
| Salaries/Aircraft (\$/Year) | | | \$ - |
| Pilots/Flight Crew: | \$ 163,288 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 53,912 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ 23,706 | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 30% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 28,117 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ - | Insurance: Liability (\$/Year): | \$ 3,690 |
| Administrative Overhead (%): | \$ - | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ 109,523 | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ 90,260 | Computer Maint Mgmt System (\$/Yr): | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

| Life Limited Parts | Name: | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|-------|----------------------------|---------------------------|--------------------|--------|-------|
| 1 | | | | | | |
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| Engine Restoral/Heavy Maintenance | Name: | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|-------|----------------------------|---------------------------|--------------------|--------|-------|
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
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Maintenance Cost Data

—

Database Date: Jan-00

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|------|-----|
| Airframe: | 0.00 | MH/FH | Airframe: | \$ - | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|----|-------|--------------------|------------------|-----------|--------|-------|
| | | Name: | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
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| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|----|-------|---------------|---------------|-----------|--------|-------|
| | | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used --

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|----------------|
| | | | | | | | | | | | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Flt Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|--------------------------|
| | | | | | | | | | | | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (6,000,000) | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (6,000,000) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|-----------------|-----------------------|
| | | | | | | | | | | | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (12,834,633) | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (3,931,567) | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,227,028) | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,011,217) | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (19,004,445) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|-------------------|
| | | | | | | | | | | | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|
| | | | | | | | | | | | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (25,004,445) | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (19,004,445) | Operating Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (19,004,445) | Present Value: |
| \$ (25,004,445) | \$ (25,004,445) | \$ (25,004,445) | \$ (25,004,445) | \$ (25,004,445) | \$ (25,004,445) | \$ (25,004,445) | \$ (25,004,445) | \$ (25,004,445) | \$ (25,004,445) | \$ (25,004,445) | Net Present Value |

Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

20-Jul-00

DOE AL Additional DC-9

Government

Make/Model:

Used --

Acquisition: Purchase

425 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Fit Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (6,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (6,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | | \$ (1,145,604) | \$ (1,174,244) | \$ (1,203,600) | \$ (1,233,690) | \$ (1,264,532) | \$ (1,296,145) | \$ (1,328,549) | \$ (1,361,763) | \$ (1,395,807) | \$ (1,430,702) |
| Fixed Cost | | \$ (350,927) | \$ (359,700) | \$ (368,692) | \$ (377,910) | \$ (387,358) | \$ (397,041) | \$ (406,968) | \$ (417,142) | \$ (427,570) | \$ (438,259) |
| Operations Overhead | | \$ (109,523) | \$ (112,261) | \$ (115,068) | \$ (117,944) | \$ (120,893) | \$ (123,915) | \$ (127,013) | \$ (130,188) | \$ (133,443) | \$ (136,779) |
| Admin Overhead (G&A) | | \$ (90,260) | \$ (92,517) | \$ (94,829) | \$ (97,200) | \$ (99,630) | \$ (102,121) | \$ (104,674) | \$ (107,291) | \$ (109,973) | \$ (112,722) |
| Depreciation | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) |

| | | | | | | | | | | | |
|--------------------|--|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (6,000,000) | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) |
| Operating Cash Flow: | | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) |
| Present Value of Total Cash Flow | | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) |
| Net Present Value: | \$ (6,000,000) | \$ (7,696,313) | \$ (9,435,034) | \$ (11,217,224) | \$ (13,043,967) | \$ (14,916,380) | \$ (16,835,603) | \$ (18,802,806) | \$ (20,819,190) | \$ (22,885,983) | \$ (25,004,445) |

Life Cycle Cost 2000

ANNUAL COST (Page 1)

20-Jul-00

(Page 2)

DOE AL Additional DC-9

Government

Make/Model: Used -

Acquisition: Purchase 425 Hours/Year

Aircraft Value: \$ -

Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Fuel | | \$ 605,625 | \$ 620,766 | \$ 636,285 | \$ 652,192 | \$ 668,497 | \$ 685,209 | \$ 702,339 | \$ 719,898 | \$ 737,895 | \$ 756,343 | \$ 6,785,048 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 78,743 | \$ 80,712 | \$ 82,729 | \$ 84,798 | \$ 86,918 | \$ 89,090 | \$ 91,318 | \$ 93,601 | \$ 95,941 | \$ 98,339 | \$ 882,188 |
| Parts | | \$ 37,315 | \$ 38,248 | \$ 39,204 | \$ 40,184 | \$ 41,189 | \$ 42,218 | \$ 43,274 | \$ 44,356 | \$ 45,465 | \$ 46,601 | \$ 418,054 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 377,396 | \$ 386,831 | \$ 396,501 | \$ 406,414 | \$ 416,574 | \$ 426,989 | \$ 437,663 | \$ 448,605 | \$ 459,820 | \$ 471,316 | \$ 4,228,109 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | | \$ 1,063 | \$ 1,089 | \$ 1,116 | \$ 1,144 | \$ 1,173 | \$ 1,202 | \$ 1,232 | \$ 1,263 | \$ 1,295 | \$ 1,327 | \$ 11,904 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 3,073 | \$ 3,150 | \$ 3,228 | \$ 3,309 | \$ 3,392 | \$ 3,477 | \$ 3,563 | \$ 3,653 | \$ 3,744 | \$ 3,837 | \$ 34,425 |
| Crew Expenses | | \$ 42,390 | \$ 43,449 | \$ 44,535 | \$ 45,649 | \$ 46,790 | \$ 47,960 | \$ 49,159 | \$ 50,388 | \$ 51,647 | \$ 52,939 | \$ 474,906 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 1,145,604 | \$ 1,174,244 | \$ 1,203,600 | \$ 1,233,690 | \$ 1,264,532 | \$ 1,296,145 | \$ 1,328,549 | \$ 1,361,763 | \$ 1,395,807 | \$ 1,430,702 | \$ 12,834,633 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 163,288 | \$ 167,370 | \$ 171,554 | \$ 175,843 | \$ 180,239 | \$ 184,745 | \$ 189,364 | \$ 194,098 | \$ 198,951 | \$ 203,924 | \$ 1,829,378 |
| Maintenance Technicians | | \$ 53,912 | \$ 55,260 | \$ 56,641 | \$ 58,057 | \$ 59,509 | \$ 60,996 | \$ 62,521 | \$ 64,084 | \$ 65,687 | \$ 67,329 | \$ 603,997 |
| Other | | \$ 23,706 | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,821 | \$ 27,492 | \$ 28,179 | \$ 28,883 | \$ 29,606 | \$ 265,587 |
| Benefits | | \$ 72,272 | \$ 74,079 | \$ 75,931 | \$ 77,829 | \$ 79,775 | \$ 81,769 | \$ 83,813 | \$ 85,908 | \$ 88,056 | \$ 90,258 | \$ 809,689 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,496 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 28,117 | \$ 28,820 | \$ 29,540 | \$ 30,279 | \$ 31,036 | \$ 31,812 | \$ 32,607 | \$ 33,422 | \$ 34,258 | \$ 35,114 | \$ 315,005 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 66,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 350,927 | \$ 359,700 | \$ 368,692 | \$ 377,910 | \$ 387,358 | \$ 397,041 | \$ 406,968 | \$ 417,142 | \$ 427,570 | \$ 438,259 | \$ 3,931,567 |

| | | | | | | | | | | | | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 109,523 | \$ 112,261 | \$ 115,068 | \$ 117,944 | \$ 120,893 | \$ 123,915 | \$ 127,013 | \$ 130,188 | \$ 133,443 | \$ 136,779 | \$ 139,779 | \$ 1,227,028 |
| Administrative Overhead (G&A) | \$ 90,260 | \$ 92,517 | \$ 94,829 | \$ 97,200 | \$ 99,630 | \$ 102,121 | \$ 104,674 | \$ 107,291 | \$ 109,973 | \$ 112,722 | \$ 115,544 | \$ 1,011,217 |
| Total Annual Cost | \$ 1,696,313 | \$ 1,738,721 | \$ 1,782,189 | \$ 1,826,744 | \$ 1,872,412 | \$ 1,919,223 | \$ 1,967,203 | \$ 2,016,383 | \$ 2,066,793 | \$ 2,118,463 | \$ 2,171,217 | \$ 19,004,445 |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

Version 4.0 Software Copyright 2000

DOE AL Additional DC-9

Type of Operation: **Government**

Make/Model: **Used --** Acquisition: **Purchase**

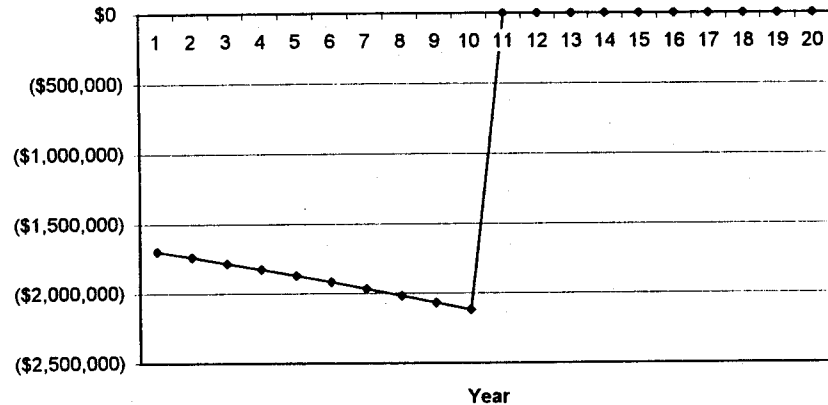
Program Length: **10 Years** Date: **20-Jul-00**

| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|---------------------|
| Capital Gains Tax: | 0 % | | |
| Corp Tax Rate: | 0 % | Method: | Straightline |
| Desired ROI: | 0 % | Term: | 10 |
| Interest Rate: | 0 % | Residual: | 95 |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 0 % | + | \$ 109,523.00 /Year |
| Admin Overhead: | 0 % | + | \$ 90,260.00 /Year |
| Revenue: | \$ - | /Flt Hr. + | \$ - /Mo |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 425 | Hrs/Yr. | |
| Acquisition Cost: | \$ 6,000,000 | Residual Value: | \$ - |

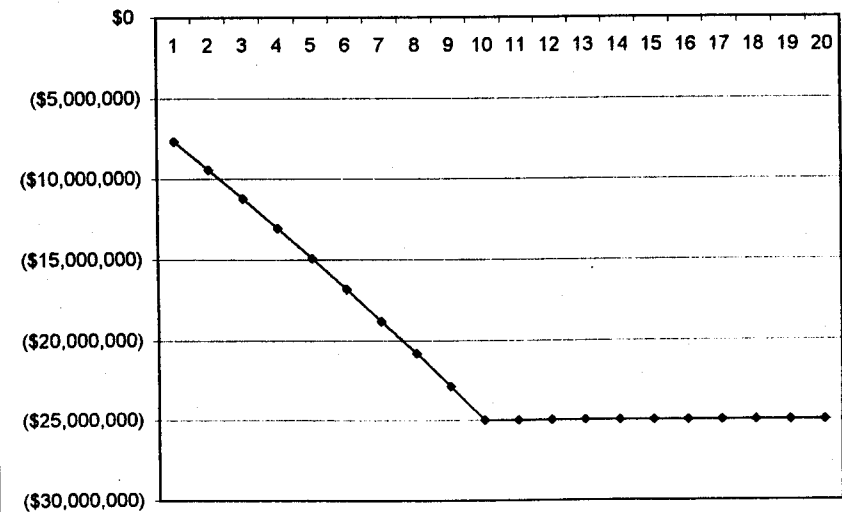
| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|--------------------|-----------------|-------------------------|---------------------------|---------------------|
| Acquisition Cost 0 | \$ - | \$ (6,000,000) | \$ - | \$ (6,000,000) |
| 1 | \$ - | \$ (1,696,313) | \$ - | \$ (1,696,313) |
| 2 | \$ - | \$ (1,738,721) | \$ - | \$ (1,738,721) |
| 3 | \$ - | \$ (1,782,189) | \$ - | \$ (1,782,189) |
| 4 | \$ - | \$ (1,826,744) | \$ - | \$ (1,826,744) |
| 5 | \$ - | \$ (1,872,412) | \$ - | \$ (1,872,412) |
| 6 | \$ - | \$ (1,919,223) | \$ - | \$ (1,919,223) |
| 7 | \$ - | \$ (1,967,203) | \$ - | \$ (1,967,203) |
| 8 | \$ - | \$ (2,016,383) | \$ - | \$ (2,016,383) |
| 9 | \$ - | \$ (2,066,793) | \$ - | \$ (2,066,793) |
| 10 | \$ - | \$ (2,118,463) | \$ - | \$ (2,118,463) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (25,004,445) | \$ - | \$ (25,004,445) |
| Investment: | \$ 6,000,000 | | | |
| Present Value: | \$ (19,004,445) | Net Present Value: | | \$ (25,004,445) |

After Tax Cash Flow From Operations

(Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Cost Of Ownership Analysis

For: **DOE AL Additional DC-9** 20-Jul-00

Aircraft: --

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: Additional DC-9 Future Fleet GOCO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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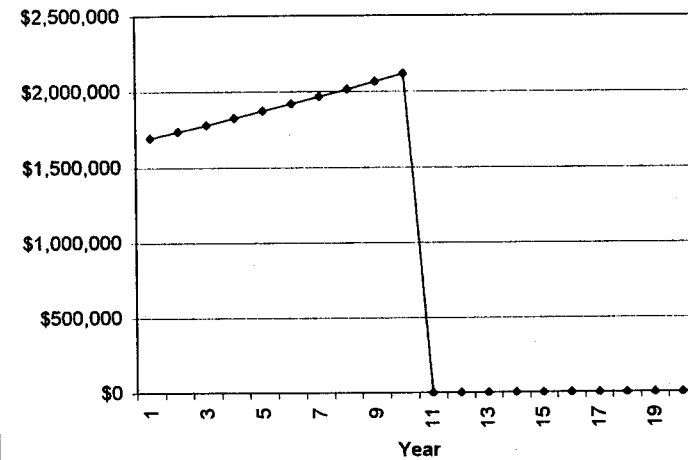
DOE AL Additional DC-9 Type of Operation: Government

Make/Model: Used -- Date: 20-Jul-00

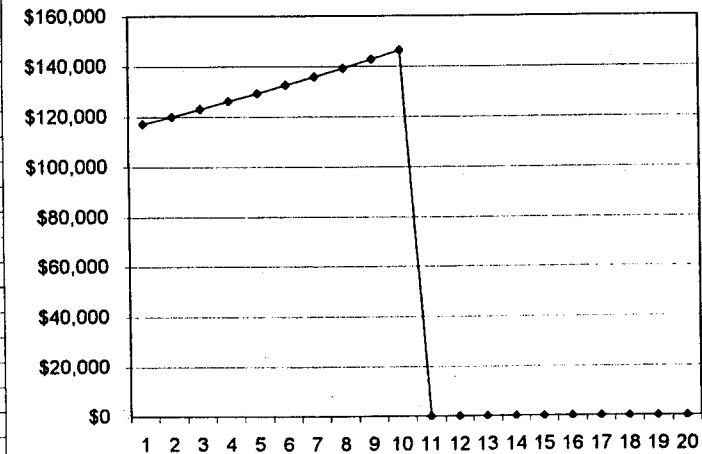
Program Length: 10 Years Acquisition: Purchase

| | | | | | |
|-------------------------------|----------|---------------|-------------------------------|--------------|--------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 425 | | Purchase Price | \$ 6,000,000 | |
| Cycles/Hour | 1.25 | | State Sales Tax: | \$ - | |
| Residual Value | 95 % | | Spares + Tooling: | \$ - | |
| MX Labor Rate | \$ 61.76 | /MH | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ - | |
| | | | Total | \$ 6,000,000 | |
| Airframe Status: | | | | | |
| Total Hours | 40000 | | Lease/Finance Payments: | | |
| Total Years | 33 | | Finance Cost/Year | \$ - | |
| Total Cycles | 50000 | | Final Payment | \$ - | |
| | | | Lease Cost/Year | \$ - | |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 12,834,633 | \$ 1,283,463 | \$ 3,020 | ?? |
| Total Fixed Cost | | \$ 3,931,567 | \$ 393,157 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 2,238,245 | \$ 223,825 | | |
| Total Cost: | | \$ 19,004,445 | \$ 1,900,445 | \$ 4,472 | ?? |
| Annual Budget: | Year 1 | \$ 1,696,313 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 1,738,721 | Year 12 | \$ - | |
| | Year 3 | \$ 1,782,189 | Year 13 | \$ - | |
| | Year 4 | \$ 1,826,744 | Year 14 | \$ - | |
| | Year 5 | \$ 1,872,412 | Year 15 | \$ - | |
| | Year 6 | \$ 1,919,223 | Year 16 | \$ - | |
| | Year 7 | \$ 1,967,203 | Year 17 | \$ - | |
| | Year 8 | \$ 2,016,383 | Year 18 | \$ - | |
| | Year 9 | \$ 2,066,793 | Year 19 | \$ - | |
| | Year 10 | \$ 2,118,463 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

Input Data

Notes: Additional DC-9 Future Fleet GOGO

| | | | |
|--------------------------------------|------------------------|--|--------------|
| Customer: | DOE AL Additional DC-9 | Type of Operation: | Government |
| Date of Analysis: | 9-Jun-00 | Type of Analysis: | Total Cost |
| Aircraft: | -- | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 40000 | If Straightline: | |
| Total Years | 33 | Term (Years) | 10 |
| Total Cycles | 50000 | Residual Value (%) | 95% |
| Base of Operation: | -- | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 425 | | |
| Cycles per Fit Hr (Airframe): | 1.25 | | |
| Cycles per Fit Hr (Engine): | 1.25 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 6,000,000 | Insured Value | \$ - |
| State Sales Tax: | \$ - | Resale Value | 95.0% |
| Spares + Tooling: | \$ - | | |
| Initial Training: | \$ - | Brokerage Fee: | \$ - |
| Trade-in/Other: | \$ - | | |
| Total | \$ 6,000,000 | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.50 | Fuel Consumption (Gallon/Flt Hr) | 950 |
| Maintenance Labor Rate (\$/Mt) | \$ 61.76 | Other | \$ 2.50 |
| | | Hangar Cost (\$/Year): | \$ - |
| | | Nav & Weather Service (\$/Yr.): | \$ 5,942 |
| Fixed Cost Input | | | |
| Salaries/Aircraft (\$/Year) | | | \$ - |
| Pilots/Flight Crew: | \$ 163,288 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 53,912 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ 23,706 | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 30% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 28,117 | Insurance: Hull (% of Insured Value | 0.00% |
| Operations Overhead (%): | \$ - | Insurance: Liability (\$/Year): | \$ 3,690 |
| Administrative Overhead (%): | \$ - | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ 109,523 | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ 60,173 | Computer Maint Mgmt System (\$/Y | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|----------|
| Airframe: | 0.00 | Airframe: | \$ - /FH |
| Engine: | 0.00 | Engine: | \$ - |
| Avionics: | 0.00 | Avionics: | \$ - |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | Cycles | Years |
|-------------|----|--------------------|------------------|-----------|--------|-------|
| | | Total (Current \$) | Start (Hrs) | Hours | | |
| Recurring | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |
| | 11 | | | | | |
| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | Name: | Overhaul Cost | Prem Removals | Frequency | Cycles | Years |
|--------------------|-------|---------------|---------------|-----------|--------|-------|
| | | (Current \$) | /1000 HR | Hours | | |
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |

| Life Limited Parts | Parts Cost | Prem Removals | Frequency |
|--------------------|------------|---------------|-----------|
|--------------------|------------|---------------|-----------|

Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|-------|--------------|----------|-------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|-------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

--

Database Date: Jan-00

Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

9-Jun-00

DOE AL Additional DC-9

Government

Make/Model:

Used -

Acquisition: Purchase

425 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Flt Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (6,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (6,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | | \$ (1,145,604) | \$ (1,174,244) | \$ (1,203,600) | \$ (1,233,690) | \$ (1,264,532) | \$ (1,296,145) | \$ (1,328,549) | \$ (1,361,763) | \$ (1,395,807) | \$ (1,430,702) |
| Fixed Cost | | \$ (350,927) | \$ (359,700) | \$ (368,692) | \$ (377,910) | \$ (387,358) | \$ (397,041) | \$ (406,968) | \$ (417,142) | \$ (427,570) | \$ (438,259) |
| Operations Overhead | | \$ (109,523) | \$ (112,261) | \$ (115,068) | \$ (117,944) | \$ (120,893) | \$ (123,915) | \$ (127,013) | \$ (130,188) | \$ (133,443) | \$ (136,779) |
| Admin Overhead (G&A) | | \$ (60,173) | \$ (61,677) | \$ (63,219) | \$ (64,800) | \$ (66,420) | \$ (68,080) | \$ (69,782) | \$ (71,527) | \$ (73,315) | \$ (75,148) |
| Depreciation | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) |

| | | | | | | | | | | | |
|--------------------|--|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (6,000,000) | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) |
| Operating Cash Flow: | | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) |
| Present Value of Total Cash Flow | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) | \$ (2,080,888) |
| Net Present Value: | \$ (6,000,000) | \$ (7,666,226) | \$ (9,374,108) | \$ (11,124,687) | \$ (12,919,031) | \$ (14,758,233) | \$ (16,643,415) | \$ (18,575,727) | \$ (20,556,346) | \$ (22,586,481) | \$ (24,667,369) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used --

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|----------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Flt Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|--------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (6,000,000) | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (6,000,000) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|-----------------|-----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (12,834,633) | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (3,931,567) | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,227,028) | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (674,141) | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,667,369) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|-------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (24,667,369) | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,667,369) | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,667,369) | Operating Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,667,369) | Present Value: |
| \$ (24,667,369) | \$ (24,667,369) | \$ (24,667,369) | \$ (24,667,369) | \$ (24,667,369) | \$ (24,667,369) | \$ (24,667,369) | \$ (24,667,369) | \$ (24,667,369) | \$ (24,667,369) | \$ (24,667,369) | Net Present Value |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

Version 4.0 Software Copyright 2000

DOE AL Additional DC-9

Type of Operation: **Government**

Make/Model: **Used** -- Acquisition: **Purchase**

Program Length: **10 Years** Date: **9-Jun-00**

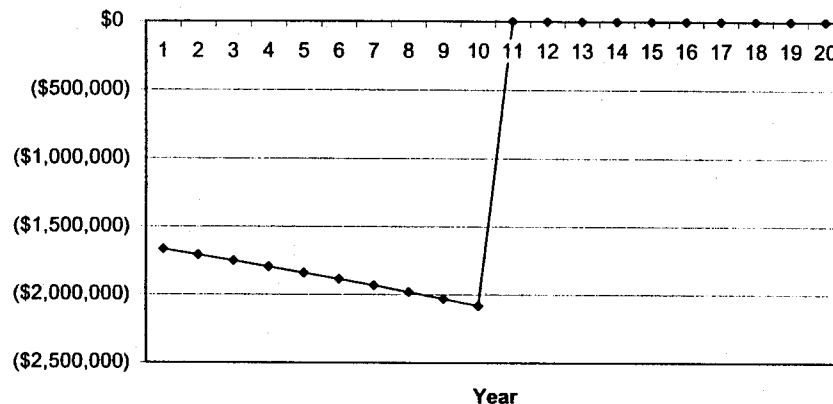
| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|---------------------|
| Capital Gains Tax: | 0 % | | |
| Corp Tax Rate: | 0 % | Method: | Straightline |
| Desired ROI: | 0 % | Term: | 10 |
| Interest Rate: | 0 % | Residual: | 95 |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 0 % | + | \$ 109,523.00 /Year |
| Admin Overhead: | 0 % | + | \$ 60,173.00 /Year |
| Revenue: | \$ - | /Ft Hr. + | \$ - /Mo |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 425 | Hrs/Yr. | |
| Acquisition Cost: | \$ 6,000,000 | Residual Value: | \$ - |

| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|--------------------|---------|-------------------------|---------------------------|---------------------|
| Acquisition Cost 0 | \$ - | \$ (6,000,000) | \$ - | \$ (6,000,000) |
| 1 | \$ - | \$ (1,666,226) | \$ - | \$ (1,666,226) |
| 2 | \$ - | \$ (1,707,882) | \$ - | \$ (1,707,882) |
| 3 | \$ - | \$ (1,750,579) | \$ - | \$ (1,750,579) |
| 4 | \$ - | \$ (1,794,343) | \$ - | \$ (1,794,343) |
| 5 | \$ - | \$ (1,839,202) | \$ - | \$ (1,839,202) |
| 6 | \$ - | \$ (1,885,182) | \$ - | \$ (1,885,182) |
| 7 | \$ - | \$ (1,932,312) | \$ - | \$ (1,932,312) |
| 8 | \$ - | \$ (1,980,619) | \$ - | \$ (1,980,619) |
| 9 | \$ - | \$ (2,030,135) | \$ - | \$ (2,030,135) |
| 10 | \$ - | \$ (2,080,888) | \$ - | \$ (2,080,888) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (24,667,369) | \$ - | \$ (24,667,369) |

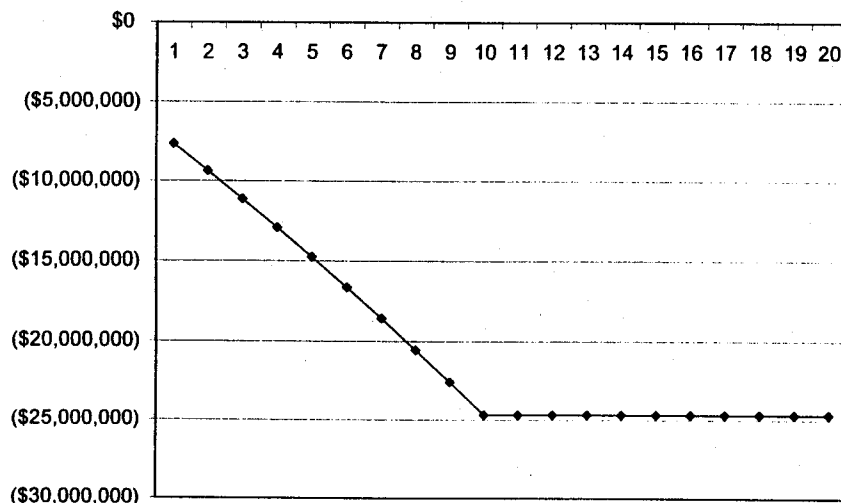
Investment: \$ 6,000,000

Present Value: \$ (18,667,369) Net Present Value: \$ (24,667,369)

After Tax Cash Flow From Operations (Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Life Cycle Cost 2000

ANNUAL COST (Page 1)

9-Jun-00

(Page 2)

DOE AL Additional DC-9

Government

Make/Model: Used - Acquisition: Purchase 425 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Fuel | | \$ 605,625 | \$ 620,766 | \$ 636,285 | \$ 652,192 | \$ 668,497 | \$ 685,209 | \$ 702,339 | \$ 719,898 | \$ 737,895 | \$ 756,343 | \$ 6,785,048 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 78,743 | \$ 80,712 | \$ 82,729 | \$ 84,798 | \$ 86,918 | \$ 89,090 | \$ 91,318 | \$ 93,601 | \$ 95,941 | \$ 98,339 | \$ 882,188 |
| Parts | | \$ 37,315 | \$ 38,248 | \$ 39,204 | \$ 40,184 | \$ 41,189 | \$ 42,218 | \$ 43,274 | \$ 44,356 | \$ 45,465 | \$ 46,601 | \$ 418,054 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 377,396 | \$ 386,831 | \$ 396,501 | \$ 406,414 | \$ 416,574 | \$ 426,989 | \$ 437,663 | \$ 448,605 | \$ 459,820 | \$ 471,316 | \$ 4,228,109 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | | \$ 1,063 | \$ 1,089 | \$ 1,116 | \$ 1,144 | \$ 1,173 | \$ 1,202 | \$ 1,232 | \$ 1,263 | \$ 1,295 | \$ 1,327 | \$ 11,904 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 3,073 | \$ 3,150 | \$ 3,228 | \$ 3,309 | \$ 3,392 | \$ 3,477 | \$ 3,563 | \$ 3,653 | \$ 3,744 | \$ 3,837 | \$ 34,425 |
| Crew Expenses | | \$ 42,390 | \$ 43,449 | \$ 44,535 | \$ 45,649 | \$ 46,790 | \$ 47,960 | \$ 49,159 | \$ 50,388 | \$ 51,647 | \$ 52,939 | \$ 474,906 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 1,145,604 | \$ 1,174,244 | \$ 1,203,600 | \$ 1,233,690 | \$ 1,264,532 | \$ 1,296,145 | \$ 1,328,549 | \$ 1,361,763 | \$ 1,395,807 | \$ 1,430,702 | \$ 12,834,633 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 163,288 | \$ 167,370 | \$ 171,554 | \$ 175,843 | \$ 180,239 | \$ 184,745 | \$ 189,364 | \$ 194,098 | \$ 198,951 | \$ 203,924 | \$ 1,829,378 |
| Maintenance Technicians | | \$ 53,912 | \$ 55,260 | \$ 56,641 | \$ 58,057 | \$ 59,509 | \$ 60,996 | \$ 62,521 | \$ 64,084 | \$ 65,687 | \$ 67,329 | \$ 603,997 |
| Other | | \$ 23,706 | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,821 | \$ 27,492 | \$ 28,179 | \$ 28,883 | \$ 29,606 | \$ 265,587 |
| Benefits | | \$ 72,272 | \$ 74,079 | \$ 75,931 | \$ 77,829 | \$ 79,775 | \$ 81,769 | \$ 83,813 | \$ 85,908 | \$ 88,056 | \$ 90,258 | \$ 809,689 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,496 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 28,117 | \$ 28,820 | \$ 29,540 | \$ 30,279 | \$ 31,036 | \$ 31,812 | \$ 32,607 | \$ 33,422 | \$ 34,258 | \$ 35,114 | \$ 315,005 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 66,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 350,927 | \$ 359,700 | \$ 368,692 | \$ 377,910 | \$ 387,358 | \$ 397,041 | \$ 406,968 | \$ 417,142 | \$ 427,570 | \$ 438,259 | \$ 3,931,567 |

| | | | | | | | | | | | | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 109,523 | \$ 112,261 | \$ 115,068 | \$ 117,944 | \$ 120,893 | \$ 123,915 | \$ 127,013 | \$ 130,188 | \$ 133,443 | \$ 136,779 | \$ 140,198 | \$ 1,227,028 |
| Administrative Overhead (G&A) | \$ 60,173 | \$ 61,677 | \$ 63,219 | \$ 64,800 | \$ 66,420 | \$ 68,080 | \$ 69,782 | \$ 71,527 | \$ 73,315 | \$ 75,148 | \$ 77,027 | \$ 674,141 |
| Total Annual Cost | \$ 1,666,226 | \$ 1,707,882 | \$ 1,750,579 | \$ 1,794,343 | \$ 1,839,202 | \$ 1,885,182 | \$ 1,932,312 | \$ 1,980,619 | \$ 2,030,135 | \$ 2,080,888 | \$ 2,132,915 | \$ 18,667,369 |

Cost Of Ownership Analysis

For: **DOE AL Additional DC-9** 9-Jun-00

Aircraft: --

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: Additional DC-9 Future Fleet GOGO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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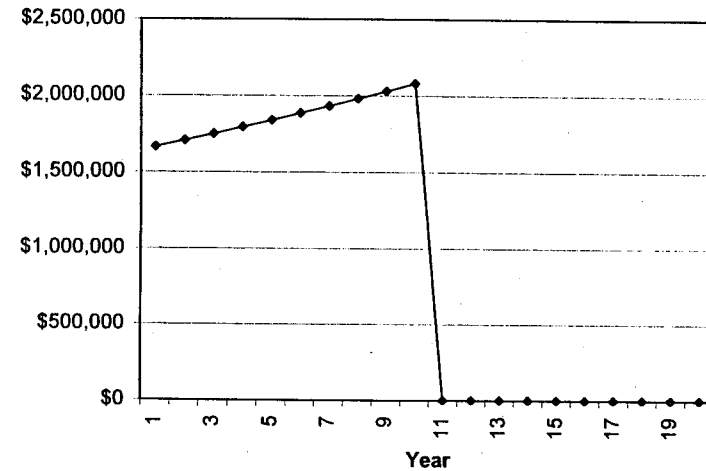
DOE AL Additional DC-9 Type of Operation: **Government**

Make/Model: **Used** -- Date: 9-Jun-00

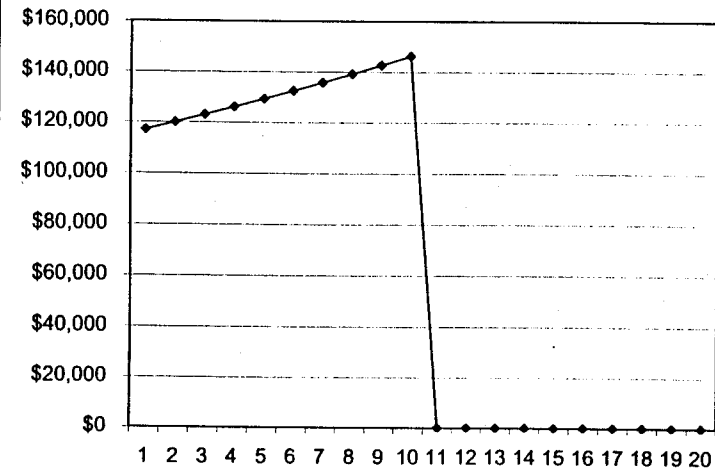
Program Length: 10 Years Acquisition: **Purchase**

| Program Data: | | | Acquisition Cost + Sales Tax: | | |
|-------------------------------|----------|---------------|-------------------------------|-----------|--------------|
| Hrs/Year | 425 | | Purchase Price | \$ | 6,000,000 |
| Cycles/Hour | 1.25 | | State Sales Tax: | \$ | - |
| Residual Value | 95 | % | Spares + Tooling | \$ | - |
| MX Labor Rate | \$ 61.76 | /MH | Initial Training: | \$ | - |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ | - |
| | | | Total | \$ | 6,000,000 |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 40000 | | Finance Cost/Year | \$ | - |
| Total Years | 33 | | Final Payment | \$ | - |
| Total Cycles | 50000 | | Lease Cost/Year | \$ | - |
| | | | | | |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ | - |
| | | | | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 12,834,633 | \$ 1,283,463 | \$ 3,020 | ?? |
| | | | | | |
| Total Fixed Cost | | \$ 3,931,567 | \$ 393,157 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 1,901,169 | \$ 190,117 | | |
| | | | | | |
| Total Cost: | | \$ 18,667,369 | \$ 1,866,737 | \$ 4,392 | ?? |
| Annual Budget: | Year 1 | \$ 1,666,226 | Year 11 | \$ | - |
| (No Depreciation) | Year 2 | \$ 1,707,882 | Year 12 | \$ | - |
| | Year 3 | \$ 1,750,579 | Year 13 | \$ | - |
| | Year 4 | \$ 1,794,343 | Year 14 | \$ | - |
| | Year 5 | \$ 1,839,202 | Year 15 | \$ | - |
| | Year 6 | \$ 1,885,182 | Year 16 | \$ | - |
| | Year 7 | \$ 1,932,312 | Year 17 | \$ | - |
| | Year 8 | \$ 1,980,619 | Year 18 | \$ | - |
| | Year 9 | \$ 2,030,135 | Year 19 | \$ | - |
| | Year 10 | \$ 2,080,888 | Year 20 | \$ | - |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

Input Data

Notes: DC-9 Future Fleet GOGO

| | | | |
|--------------------------------------|---------------|---|--------------|
| Customer: | DOE AL N229DE | Type of Operation: | Government |
| Date of Analysis: | 9-Jun-00 | Type of Analysis: | Total Cost |
| Aircraft: | -- | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 43538 | If Straightline; | |
| Total Years | 33 | Term (Years) | 10 |
| Total Cycles | 54218 | Residual Value (%) | 95% |
| Base of Operation: | -- | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 425 | | |
| Cycles per Flt Hr (Airframe): | 1.25 | | |
| Cycles per Flt Hr (Engine): | 1.25 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 5,000,000 | Insured Value | \$ - |
| State Sales Tax: | \$ - | Resale Value | 95.0% |
| Spares + Tooling: | \$ - | Brokerage Fee: | \$ - |
| Initial Training: | \$ - | | |
| Trade-in/Other: | \$ - | | |
| Total | \$ 5,000,000 | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.50 | Fuel Consumption (Gallon/Flt Hr) | 950 |
| Maintenance Labor Rate (\$/MH) | \$ 61.76 | Other | \$ 2.50 |
| | | Hangar Cost (\$/Year): | \$ - |
| Fixed Cost Input | | Nav & Weather Service (\$/Yr.): | \$ 5,942 |
| Salaries/Aircraft (\$/Year) | | | \$ - |
| Pilots/Flight Crew: | \$ 163,288 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 53,912 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ 23,706 | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 30% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 28,117 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ - | Insurance: Liability (\$/Year): | \$ 3,690 |
| Administrative Overhead (%): | \$ - | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ 109,523 | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ 60,173 | Computer Maint Mgmt System (\$/Yr): | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|------|-----|
| Airframe: | 0.00 | MH/FH | Airframe: | \$ - | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|--|------------|---------------|-----------|--|--|
|--------------------|--|------------|---------------|-----------|--|--|

Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|-------|--------------|----------|-------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|-------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

--

Database Date: Jan-00

Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

9-Jun-00

DOE AL N229DE

Government

Make/Model:

Used

-

Acquisition:

Purchase

425 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Flt Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (5,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (5,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | \$ (1,145,604) | \$ (1,174,244) | \$ (1,203,600) | \$ (1,233,690) | \$ (1,264,532) | \$ (1,296,145) | \$ (1,328,549) | \$ (1,361,763) | \$ (1,395,807) | \$ (1,430,702) | \$ (1,466,446) |
| Fixed Cost | \$ (350,927) | \$ (359,700) | \$ (368,692) | \$ (377,910) | \$ (387,358) | \$ (397,041) | \$ (406,968) | \$ (417,142) | \$ (427,570) | \$ (438,259) | \$ (449,199) |
| Operations Overhead | \$ (109,523) | \$ (112,261) | \$ (115,068) | \$ (117,944) | \$ (120,893) | \$ (123,915) | \$ (127,013) | \$ (130,188) | \$ (133,443) | \$ (136,779) | \$ (140,196) |
| Admin Overhead (G&A) | \$ (60,173) | \$ (61,677) | \$ (63,219) | \$ (64,800) | \$ (66,420) | \$ (68,080) | \$ (69,782) | \$ (71,527) | \$ (73,315) | \$ (75,148) | \$ (77,025) |
| Depreciation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) | \$ (2,132,888) |

| | | | | | | | | | | | |
|--------------------|------|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (5,000,000) | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) |
| Operating Cash Flow: | | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) |
| Present Value of Total Cash Flow | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) | \$ (2,132,888) |
| Net Present Value: | \$ (5,000,000) | \$ (6,666,226) | \$ (8,374,108) | \$ (10,124,687) | \$ (11,919,031) | \$ (13,758,233) | \$ (15,643,415) | \$ (17,575,727) | \$ (19,556,346) | \$ (21,586,481) | \$ (23,667,369) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used --

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|----------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Flt Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|--------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,000,000) | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,000,000) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|-----------------|-----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (12,834,633) | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (3,931,567) | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,227,028) | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (674,141) | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,667,369) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|-------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (23,667,369) | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,667,369) | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,667,369) | Operating Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,667,369) | Present Value: |
| \$ (23,667,369) | \$ (23,667,369) | \$ (23,667,369) | \$ (23,667,369) | \$ (23,667,369) | \$ (23,667,369) | \$ (23,667,369) | \$ (23,667,369) | \$ (23,667,369) | \$ (23,667,369) | \$ (23,667,369) | Net Present Value |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N229DE

Type of Operation: **Government**

Make/Model: **Used** -- Acquisition: **Purchase**

Program Length: **10 Years** Date: **9-Jun-00**

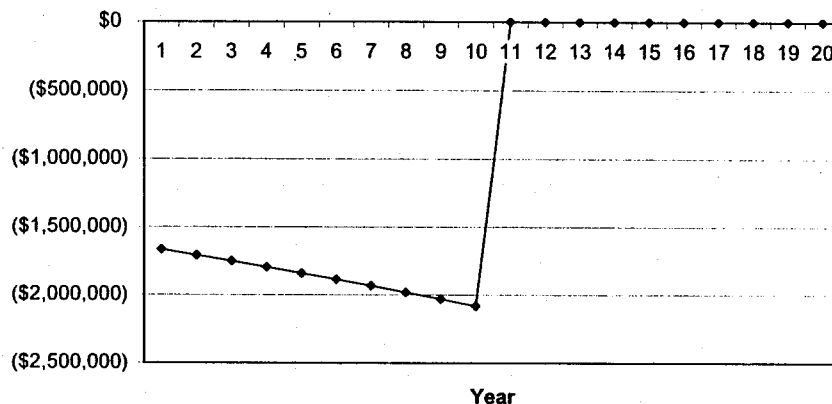
| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|---------------------|
| Capital Gains Tax: | 0 % | | |
| Corp Tax Rate: | 0 % | Method: | Straightline |
| Desired ROI: | 0 % | Term: | 10 |
| Interest Rate: | 0 % | Residual: | 95 |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 0 % | + | \$ 109,523.00 /Year |
| Admin Overhead: | 0 % | + | \$ 60,173.00 /Year |
| Revenue: | \$ - | /Flt Hr. + | \$ - /Mo |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 425 | Hrs/Yr. | |
| Acquisition Cost: | \$ 5,000,000 | Residual Value: | \$ - |

| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|--------------------|---------|-------------------------|---------------------------|---------------------|
| Acquisition Cost 0 | \$ - | \$ (5,000,000) | \$ - | \$ (5,000,000) |
| 1 | \$ - | \$ (1,666,226) | \$ - | \$ (1,666,226) |
| 2 | \$ - | \$ (1,707,882) | \$ - | \$ (1,707,882) |
| 3 | \$ - | \$ (1,750,579) | \$ - | \$ (1,750,579) |
| 4 | \$ - | \$ (1,794,343) | \$ - | \$ (1,794,343) |
| 5 | \$ - | \$ (1,839,202) | \$ - | \$ (1,839,202) |
| 6 | \$ - | \$ (1,885,182) | \$ - | \$ (1,885,182) |
| 7 | \$ - | \$ (1,932,312) | \$ - | \$ (1,932,312) |
| 8 | \$ - | \$ (1,980,619) | \$ - | \$ (1,980,619) |
| 9 | \$ - | \$ (2,030,135) | \$ - | \$ (2,030,135) |
| 10 | \$ - | \$ (2,080,888) | \$ - | \$ (2,080,888) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (23,667,369) | \$ - | \$ (23,667,369) |

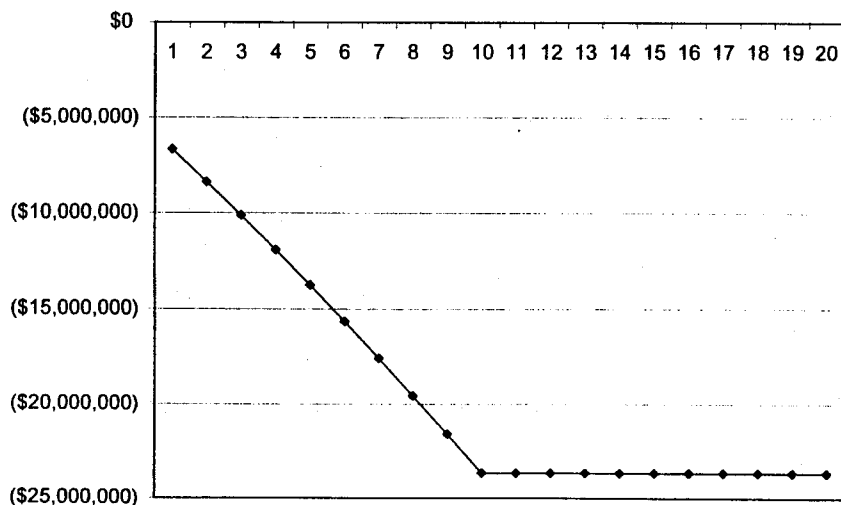
Investment: \$ 5,000,000

Present Value: \$ (18,667,369) Net Present Value: \$ (23,667,369)

After Tax Cash Flow From Operations (Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

9-Jun-00

(Page 2)

DOE AL N229DE

Government

Make/Model: Used - Acquisition: Purchase 425 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Fuel | | \$ 605,625 | \$ 620,766 | \$ 636,285 | \$ 652,192 | \$ 668,497 | \$ 685,209 | \$ 702,339 | \$ 719,898 | \$ 737,895 | \$ 756,343 | \$ 6,785,048 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 78,743 | \$ 80,712 | \$ 82,729 | \$ 84,798 | \$ 86,918 | \$ 89,090 | \$ 91,318 | \$ 93,601 | \$ 95,941 | \$ 98,339 | \$ 882,188 |
| Parts | | \$ 37,315 | \$ 38,248 | \$ 39,204 | \$ 40,184 | \$ 41,189 | \$ 42,218 | \$ 43,274 | \$ 44,356 | \$ 45,465 | \$ 46,601 | \$ 418,054 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 377,396 | \$ 386,831 | \$ 396,501 | \$ 406,414 | \$ 416,574 | \$ 426,989 | \$ 437,663 | \$ 448,605 | \$ 459,820 | \$ 471,316 | \$ 4,228,109 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | | \$ 1,063 | \$ 1,089 | \$ 1,116 | \$ 1,144 | \$ 1,173 | \$ 1,202 | \$ 1,232 | \$ 1,263 | \$ 1,295 | \$ 1,327 | \$ 11,904 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 3,073 | \$ 3,150 | \$ 3,228 | \$ 3,309 | \$ 3,392 | \$ 3,477 | \$ 3,563 | \$ 3,653 | \$ 3,744 | \$ 3,837 | \$ 34,425 |
| Crew Expenses | | \$ 42,390 | \$ 43,449 | \$ 44,535 | \$ 45,649 | \$ 46,790 | \$ 47,960 | \$ 49,159 | \$ 50,388 | \$ 51,647 | \$ 52,939 | \$ 474,906 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 1,145,604 | \$ 1,174,244 | \$ 1,203,600 | \$ 1,233,690 | \$ 1,264,532 | \$ 1,296,145 | \$ 1,328,549 | \$ 1,361,763 | \$ 1,395,807 | \$ 1,430,702 | \$ 12,834,633 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 163,288 | \$ 167,370 | \$ 171,554 | \$ 175,843 | \$ 180,239 | \$ 184,745 | \$ 189,364 | \$ 194,098 | \$ 198,951 | \$ 203,924 | \$ 1,829,378 |
| Maintenance Technicians | | \$ 53,912 | \$ 55,260 | \$ 56,641 | \$ 58,057 | \$ 59,509 | \$ 60,996 | \$ 62,521 | \$ 64,084 | \$ 65,687 | \$ 67,329 | \$ 603,997 |
| Other | | \$ 23,706 | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,821 | \$ 27,492 | \$ 28,179 | \$ 28,883 | \$ 29,606 | \$ 265,587 |
| Benefits | | \$ 72,272 | \$ 74,079 | \$ 75,931 | \$ 77,829 | \$ 79,775 | \$ 81,769 | \$ 83,813 | \$ 85,908 | \$ 88,056 | \$ 90,258 | \$ 809,689 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,496 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 28,117 | \$ 28,820 | \$ 29,540 | \$ 30,279 | \$ 31,036 | \$ 31,812 | \$ 32,607 | \$ 33,422 | \$ 34,258 | \$ 35,114 | \$ 315,005 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 66,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 350,927 | \$ 359,700 | \$ 368,692 | \$ 377,910 | \$ 387,358 | \$ 397,041 | \$ 406,968 | \$ 417,142 | \$ 427,570 | \$ 438,259 | \$ 3,931,567 |

| | | | | | | | | | | | | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 109,523 | \$ 112,261 | \$ 115,068 | \$ 117,944 | \$ 120,893 | \$ 123,915 | \$ 127,013 | \$ 130,188 | \$ 133,443 | \$ 136,779 | \$ 1,227,028 | |
| Administrative Overhead (G&A) | \$ 60,173 | \$ 61,677 | \$ 63,219 | \$ 64,800 | \$ 66,420 | \$ 68,080 | \$ 69,782 | \$ 71,527 | \$ 73,315 | \$ 75,148 | \$ 674,141 | |
| Total Annual Cost | \$ 1,666,226 | \$ 1,707,882 | \$ 1,750,579 | \$ 1,794,343 | \$ 1,839,202 | \$ 1,885,182 | \$ 1,932,312 | \$ 1,980,619 | \$ 2,030,135 | \$ 2,080,888 | \$ 18,667,369 | |

Cost Of Ownership Analysis

For: **DOE AL N229DE** 9-Jun-00

Aircraft: --

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: DC-9 Future Fleet GOGO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE AL N229DE

Type of Operation: **Government**

Make/Model: **Used** --

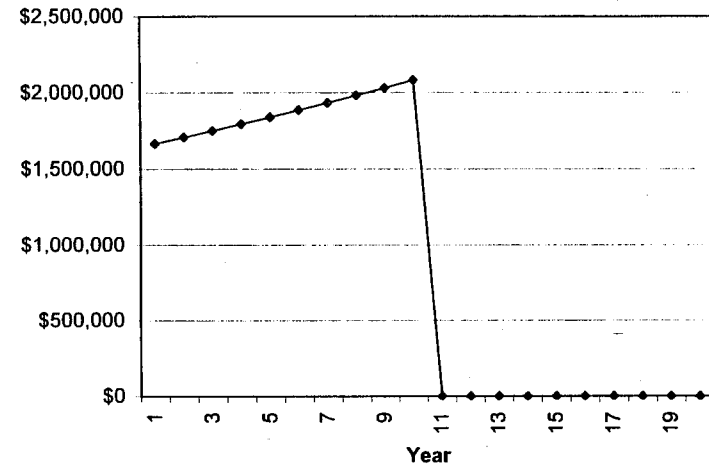
Date: 9-Jun-00

Program Length: 10 Years

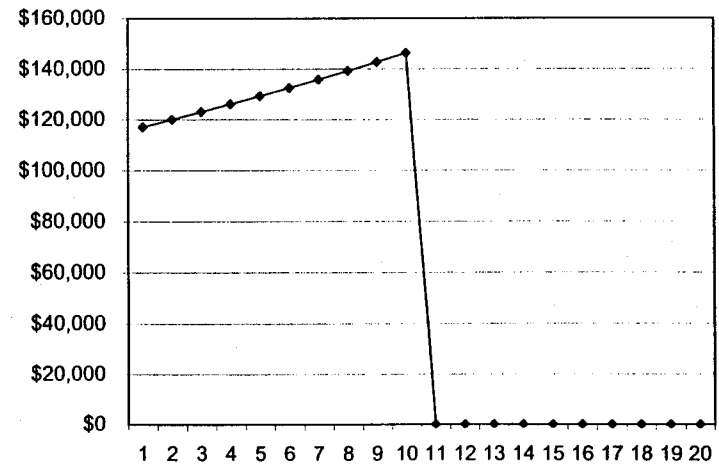
Acquisition: **Purchase**

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 425 | | Purchase Price | \$ | 5,000,000 |
| Cycles/Hour | 1.25 | | State Sales Tax: | \$ | - |
| Residual Value | 95 | % | Spares + Tooling: | \$ | - |
| MX Labor Rate | \$ 61.76 | /MH | Initial Training: | \$ | - |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ | - |
| | | | Total | \$ | 5,000,000 |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 43538 | | Finance Cost/Year | \$ | - |
| Total Years | 33 | | Final Payment | \$ | - |
| Total Cycles | 54218 | | Lease Cost/Year | \$ | - |
| | | | | | |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ | - |
| | | | | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 12,834,633 | \$ 1,283,463 | \$ 3,020 | ?? |
| | | | | | |
| Total Fixed Cost | | \$ 3,931,567 | \$ 393,157 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 1,901,169 | \$ 190,117 | | |
| | | | | | |
| Total Cost: | | \$ 18,667,369 | \$ 1,866,737 | \$ 4,392 | ?? |
| Annual Budget: | | | | | |
| (No Depreciation) | | | | | |
| | Year 1 | \$ 1,666,226 | Year 11 | \$ - | |
| | Year 2 | \$ 1,707,882 | Year 12 | \$ - | |
| | Year 3 | \$ 1,750,579 | Year 13 | \$ - | |
| | Year 4 | \$ 1,794,343 | Year 14 | \$ - | |
| | Year 5 | \$ 1,839,202 | Year 15 | \$ - | |
| | Year 6 | \$ 1,885,182 | Year 16 | \$ - | |
| | Year 7 | \$ 1,932,312 | Year 17 | \$ - | |
| | Year 8 | \$ 1,980,619 | Year 18 | \$ - | |
| | Year 9 | \$ 2,030,135 | Year 19 | \$ - | |
| | Year 10 | \$ 2,080,888 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

Input Data

Notes: DC-9 Future Fleet GOCO

| | | | |
|--------------------------------------|---------------|---|--------------|
| Customer: | DOE AL N229DE | Type of Operation: | Government |
| Date of Analysis: | 20-Jul-00 | Type of Analysis: | Total Cost |
| Aircraft: | -- | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 43538 | If Straightline; | |
| Total Years | 33 | Term (Years) | 10 |
| Total Cycles | 54218 | Residual Value (%) | 95% |
| Base of Operation: | -- | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 425 | | |
| Cycles per Flt Hr (Airframe): | 1.25 | | |
| Cycles per Flt Hr (Engine): | 1.25 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 5,000,000 | Insured Value | \$ - |
| State Sales Tax: | \$ - | Resale Value | 95.0% |
| Spares + Tooling: | \$ - | | |
| Initial Training: | \$ - | Brokerage Fee: | \$ - |
| Trade-in/Other: | \$ - | | |
| Total | \$ 5,000,000 | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.50 | Fuel Consumption (Gallon/Flt Hr) | 950 |
| Maintenance Labor Rate (\$/Mh) | \$ 61.76 | Other | \$ 2.50 |
| | | Hangar Cost (\$/Year): | \$ - |
| Fixed Cost Input | | Nav & Weather Service (\$/Yr.): | \$ 5,942 |
| Salaries/Aircraft (\$/Year) | | | \$ - |
| Pilots/Flight Crew: | \$ 163,288 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 53,912 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ 23,706 | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 30% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 28,117 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ - | Insurance: Liability (\$/Year): | \$ 3,690 |
| Administrative Overhead (%): | \$ - | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ 109,523 | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ 90,260 | Computer Maint Mgmt System (\$/Yr) | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

Maintenance Cost Data

--

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|------|-----|
| Airframe: | 0.00 | MH/FH | Airframe: | \$ - | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | |
|--------------------|--|------------|---------------|-----------|--|
|--------------------|--|------------|---------------|-----------|--|

Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|-------|--------------|----------|-------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|-------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

--

Database Date: Jan-00

Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

20-Jul-00

DOE AL N229DE

Government

Make/Model:

Used --

Acquisition: Purchase

425 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Flt Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (5,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (5,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | | \$ (1,145,604) | \$ (1,174,244) | \$ (1,203,600) | \$ (1,233,690) | \$ (1,264,532) | \$ (1,296,145) | \$ (1,328,549) | \$ (1,361,763) | \$ (1,395,807) | \$ (1,430,702) |
| Fixed Cost | | \$ (350,927) | \$ (359,700) | \$ (368,692) | \$ (377,910) | \$ (387,358) | \$ (397,041) | \$ (406,968) | \$ (417,142) | \$ (427,570) | \$ (438,259) |
| Operations Overhead | | \$ (109,523) | \$ (112,261) | \$ (115,068) | \$ (117,944) | \$ (120,893) | \$ (123,915) | \$ (127,013) | \$ (130,188) | \$ (133,443) | \$ (136,779) |
| Admin Overhead (G&A) | | \$ (90,260) | \$ (92,517) | \$ (94,829) | \$ (97,200) | \$ (99,630) | \$ (102,121) | \$ (104,674) | \$ (107,291) | \$ (109,973) | \$ (112,722) |
| Depreciation | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) |

| | | | | | | | | | | | |
|--------------------|--|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (5,000,000) | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) |
| Operating Cash Flow: | | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) |
| Present Value of Total Cash Flow | | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) |
| Net Present Value: | \$ (5,000,000) | \$ (6,696,313) | \$ (8,435,034) | \$ (10,217,224) | \$ (12,043,967) | \$ (13,916,380) | \$ (15,835,603) | \$ (17,802,806) | \$ (19,819,190) | \$ (21,885,983) | \$ (24,004,445) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used --

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|----------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Fit Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|--------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,000,000) | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,000,000) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|-----------------|-----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (12,834,633) | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (3,931,567) | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,227,028) | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,011,217) | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (19,004,445) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|-------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (24,004,445) | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (19,004,445) | Operating Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (19,004,445) | Present Value: |
| \$ (24,004,445) | \$ (24,004,445) | \$ (24,004,445) | \$ (24,004,445) | \$ (24,004,445) | \$ (24,004,445) | \$ (24,004,445) | \$ (24,004,445) | \$ (24,004,445) | \$ (24,004,445) | \$ (24,004,445) | Net Present Value |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N229DE

Type of Operation: **Government**

Make/Model: Used -- Acquisition: Purchase

Program Length: 10 Years Date: 20-Jul-00

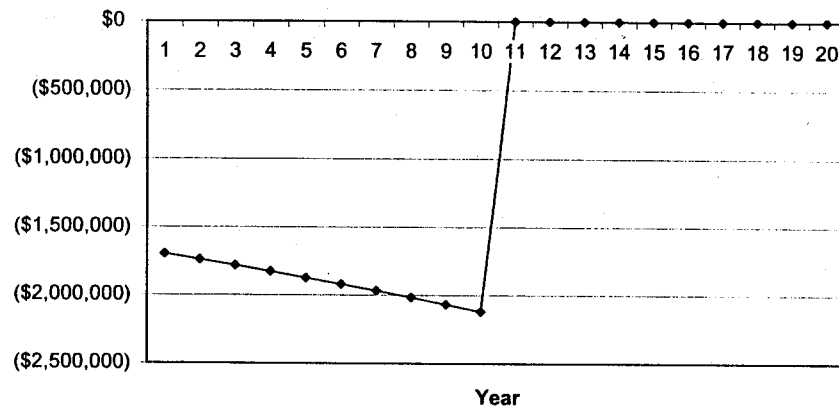
| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|---------------------|
| Capital Gains Tax | 0 % | | |
| Corp Tax Rate: | 0 % | Method: | Straightline |
| Desired ROI: | 0 % | Term: | 10 |
| Interest Rate: | 0 % | Residual: | 95 |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 0 % | + | \$ 109,523.00 /Year |
| Admin Overhead: | 0 % | + | \$ 90,260.00 /Year |
| Revenue: | \$ - | /Fit Hr. + | \$ - /Mo |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 425 | Hrs/Yr. | |
| Acquisition Cost: | \$ 5,000,000 | Residual Value: | \$ - |

| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|--------------------|---------|-------------------------|---------------------------|---------------------|
| Acquisition Cost 0 | \$ - | \$ (5,000,000) | \$ - | \$ (5,000,000) |
| 1 | \$ - | \$ (1,696,313) | \$ - | \$ (1,696,313) |
| 2 | \$ - | \$ (1,738,721) | \$ - | \$ (1,738,721) |
| 3 | \$ - | \$ (1,782,189) | \$ - | \$ (1,782,189) |
| 4 | \$ - | \$ (1,826,744) | \$ - | \$ (1,826,744) |
| 5 | \$ - | \$ (1,872,412) | \$ - | \$ (1,872,412) |
| 6 | \$ - | \$ (1,919,223) | \$ - | \$ (1,919,223) |
| 7 | \$ - | \$ (1,967,203) | \$ - | \$ (1,967,203) |
| 8 | \$ - | \$ (2,016,383) | \$ - | \$ (2,016,383) |
| 9 | \$ - | \$ (2,066,793) | \$ - | \$ (2,066,793) |
| 10 | \$ - | \$ (2,118,463) | \$ - | \$ (2,118,463) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (24,004,445) | \$ - | \$ (24,004,445) |

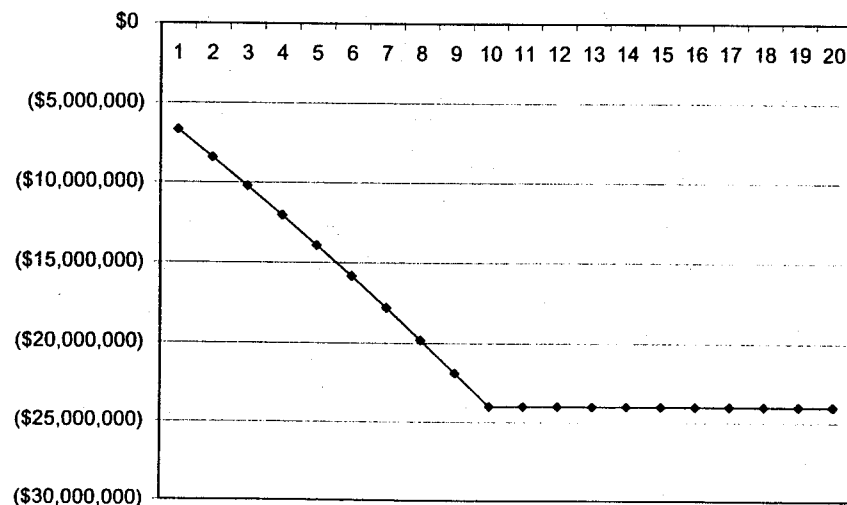
Investment: \$ 5,000,000

Present Value: \$ (19,004,445) Net Present Value: \$ (24,004,445)

After Tax Cash Flow From Operations (Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Life Cycle Cost 2000

ANNUAL COST (Page 1)

20-Jul-00

(Page 2)

DOE AL N229DE

Government

Make/Model: Used -- Acquisition: Purchase 425 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Fuel | | \$ 605,625 | \$ 620,766 | \$ 636,285 | \$ 652,192 | \$ 668,497 | \$ 685,209 | \$ 702,339 | \$ 719,898 | \$ 737,895 | \$ 756,343 | \$ 6,785,048 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 78,743 | \$ 80,712 | \$ 82,729 | \$ 84,798 | \$ 86,918 | \$ 89,090 | \$ 91,318 | \$ 93,601 | \$ 95,941 | \$ 98,339 | \$ 882,188 |
| Parts | | \$ 37,315 | \$ 38,248 | \$ 39,204 | \$ 40,184 | \$ 41,189 | \$ 42,218 | \$ 43,274 | \$ 44,356 | \$ 45,465 | \$ 46,601 | \$ 418,054 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 377,396 | \$ 386,831 | \$ 396,501 | \$ 406,414 | \$ 416,574 | \$ 426,989 | \$ 437,663 | \$ 448,605 | \$ 459,820 | \$ 471,316 | \$ 4,228,109 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | | \$ 1,063 | \$ 1,089 | \$ 1,116 | \$ 1,144 | \$ 1,173 | \$ 1,202 | \$ 1,232 | \$ 1,263 | \$ 1,295 | \$ 1,327 | \$ 11,904 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 3,073 | \$ 3,150 | \$ 3,228 | \$ 3,309 | \$ 3,392 | \$ 3,477 | \$ 3,563 | \$ 3,653 | \$ 3,744 | \$ 3,837 | \$ 34,425 |
| Crew Expenses | | \$ 42,390 | \$ 43,449 | \$ 44,535 | \$ 45,649 | \$ 46,790 | \$ 47,960 | \$ 49,159 | \$ 50,388 | \$ 51,647 | \$ 52,939 | \$ 474,906 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 1,145,604 | \$ 1,174,244 | \$ 1,203,600 | \$ 1,233,690 | \$ 1,264,532 | \$ 1,296,145 | \$ 1,328,549 | \$ 1,361,763 | \$ 1,395,807 | \$ 1,430,702 | \$ 12,834,633 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 163,288 | \$ 167,370 | \$ 171,554 | \$ 175,843 | \$ 180,239 | \$ 184,745 | \$ 189,364 | \$ 194,098 | \$ 198,951 | \$ 203,924 | \$ 1,829,378 |
| Maintenance Technicians | | \$ 53,912 | \$ 55,260 | \$ 56,641 | \$ 58,057 | \$ 59,509 | \$ 60,996 | \$ 62,521 | \$ 64,084 | \$ 65,687 | \$ 67,329 | \$ 603,997 |
| Other | | \$ 23,706 | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,821 | \$ 27,492 | \$ 28,179 | \$ 28,883 | \$ 29,606 | \$ 265,587 |
| Benefits | | \$ 72,272 | \$ 74,079 | \$ 75,931 | \$ 77,829 | \$ 79,775 | \$ 81,769 | \$ 83,813 | \$ 85,908 | \$ 88,056 | \$ 90,258 | \$ 809,689 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,496 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 28,117 | \$ 28,820 | \$ 29,540 | \$ 30,279 | \$ 31,036 | \$ 31,812 | \$ 32,607 | \$ 33,422 | \$ 34,258 | \$ 35,114 | \$ 315,005 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 66,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 350,927 | \$ 359,700 | \$ 368,692 | \$ 377,910 | \$ 387,358 | \$ 397,041 | \$ 406,968 | \$ 417,142 | \$ 427,570 | \$ 438,259 | \$ 3,931,567 |

| | | | | | | | | | | | | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 109,523 | \$ 112,261 | \$ 115,068 | \$ 117,944 | \$ 120,893 | \$ 123,915 | \$ 127,013 | \$ 130,188 | \$ 133,443 | \$ 136,779 | \$ 1,227,028 | |
| Administrative Overhead (G&A) | \$ 90,260 | \$ 92,517 | \$ 94,829 | \$ 97,200 | \$ 99,630 | \$ 102,121 | \$ 104,674 | \$ 107,291 | \$ 109,973 | \$ 112,722 | \$ 1,011,217 | |
| Total Annual Cost | \$ 1,696,313 | \$ 1,738,721 | \$ 1,782,189 | \$ 1,826,744 | \$ 1,872,412 | \$ 1,919,223 | \$ 1,967,203 | \$ 2,016,383 | \$ 2,066,793 | \$ 2,118,463 | \$ 19,004,445 | |

Cost Of Ownership Analysis

| | | |
|--------------------|---------------|-----------|
| For: | DOE AL N229DE | 20-Jul-00 |
| Aircraft: | -- | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: DC-9 Future Fleet GOCO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE AL N229DE

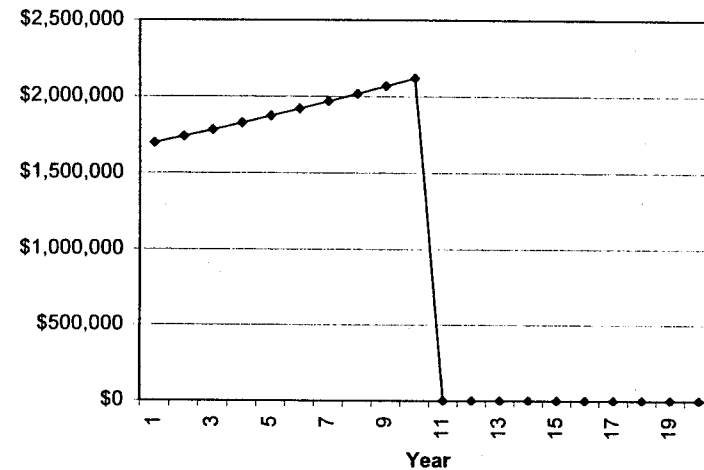
Type of Operation: **Government**

Make/Model: **Used** -- Date: **20-Jul-00**

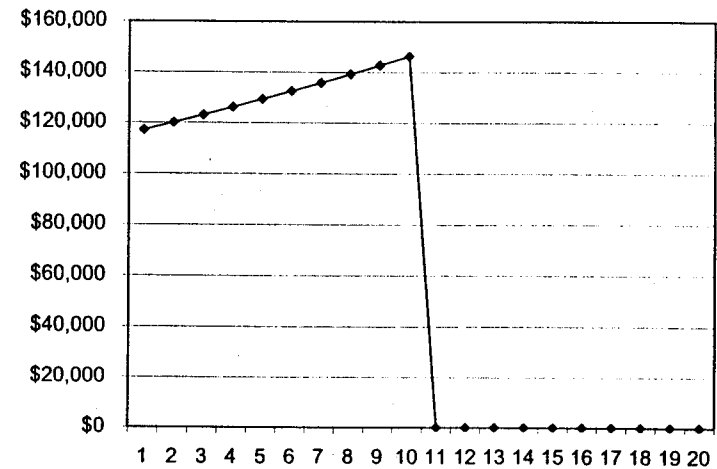
Program Length: **10** Years Acquisition: **Purchase**

| | | | | | |
|-------------------------------|----------|---------------|-------------------------------|--------------|--------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 425 | | Purchase Price | \$ 5,000,000 | |
| Cycles/Hour | 1.25 | | State Sales Tax: | \$ - | |
| Residual Value | 95 | % | Spares + Tooling | \$ - | |
| MX Labor Rate | \$ 61.76 | /MH | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ - | |
| | | | Total | \$ 5,000,000 | |
| Airframe Status: | | | | | |
| Total Hours | 43538 | | Lease/Finance Payments: | | |
| Total Years | 33 | | Finance Cost/Year | \$ - | |
| Total Cycles | 54218 | | Final Payment | \$ - | |
| | | | Lease Cost/Year | \$ - | |
| Ave Inflation: | 2.50% | /Year | | | |
| | | | Insured Value: | \$ - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 12,834,633 | \$ 1,283,463 | \$ 3,020 | ?? |
| | | | | | |
| Total Fixed Cost | | \$ 3,931,567 | \$ 393,157 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 2,238,245 | \$ 223,825 | | |
| | | | | | |
| Total Cost: | | \$ 19,004,445 | \$ 1,900,445 | \$ 4,472 | ?? |
| Annual Budget: | Year 1 | \$ 1,696,313 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 1,738,721 | Year 12 | \$ - | |
| | Year 3 | \$ 1,782,189 | Year 13 | \$ - | |
| | Year 4 | \$ 1,826,744 | Year 14 | \$ - | |
| | Year 5 | \$ 1,872,412 | Year 15 | \$ - | |
| | Year 6 | \$ 1,919,223 | Year 16 | \$ - | |
| | Year 7 | \$ 1,967,203 | Year 17 | \$ - | |
| | Year 8 | \$ 2,016,383 | Year 18 | \$ - | |
| | Year 9 | \$ 2,066,793 | Year 19 | \$ - | |
| | | Year 10 | \$ 2,118,463 | Year 20 | \$ - |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

Input Data

Notes: DC-9 Present Fleet - Should Costs
Ops. O/H at 10% and G&A at 10%

| | | | |
|----------------------------------|---------------|--------------------------------------|--------------|
| Customer: | DOE AL N229DE | Type of Operation: | Government |
| Date of Analysis: | 7-Jun-00 | Type of Analysis: | Total Cost |
| Aircraft: | -- | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 43538 | If Straightline: | |
| Total Years | 33 | Term (Years) | 10 |
| Total Cycles | 54218 | Residual Value (%) | 95% |
| Base of Operation: | -- | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 499.82 | | |
| Cycles per Flt Hr (Airframe): | 1.25 | | |
| Cycles per Flt Hr (Engine): | 1.25 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 5,000,000 | Insured Value | \$ - |
| State Sales Tax: | \$ - | Resale Value | 95.0% |
| Spares + Tooling: | \$ - | Brokerage Fee: | \$ - |
| Initial Training: | \$ - | | |
| Trade-in/Other: | \$ - | | |
| Total | \$ 5,000,000 | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.27 | Fuel Consumption (Gallon/Flt Hr) | 950 |
| Maintenance Labor Rate (\$/Hr) | \$ 65.00 | Other | \$ 1.93 |
| Fixed Cost Input | | Hangar Cost (\$/Year): | \$ - |
| Salaries/Aircraft (\$/Year) | | Nav & Weather Service (\$/Yr.): | \$ 5,942 |
| Pilots/Flight Crew: | \$ 270,434 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 100,508 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ - | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 25% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 28,113 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ 10 | Insurance: Liability (\$/Year): | \$ 3,690 |
| Administrative Overhead (%): | \$ 10 | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ - | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ - | Computer Maint Mgmt System (\$/Yr): | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | | /FH |
|-------------|------|-------|-------------|------|-----|
| Airframe: | 0.00 | | Airframe: | \$ - | |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

| Life Limited Parts | Parts Cost | Prem Removals | Frequency |
|--------------------|------------|---------------|-----------|
|--------------------|------------|---------------|-----------|

Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|-------|--------------|----------|-------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | Cycles | Years |
|-----------------------------------|-------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | | |
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

--

Database Date: Jan-00

Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

7-Jun-00

DOE AL N229DE

Government

Make/Model:

Used --

Acquisition: Purchase

499.82 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Flt Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (5,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (5,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | \$ (1,217,073) | \$ (1,233,702) | \$ (1,264,545) | \$ (1,296,158) | \$ (1,328,562) | \$ (1,361,777) | \$ (1,395,821) | \$ (1,430,716) | \$ (1,466,484) | \$ (1,503,146) | \$ (1,540,702) |
| Fixed Cost | \$ (514,084) | \$ (513,160) | \$ (525,989) | \$ (539,138) | \$ (552,617) | \$ (566,432) | \$ (580,593) | \$ (595,108) | \$ (609,986) | \$ (625,235) | \$ (640,864) |
| Operations Overhead | \$ (173,116) | \$ (174,686) | \$ (179,053) | \$ (183,530) | \$ (188,118) | \$ (192,821) | \$ (197,641) | \$ (202,582) | \$ (207,647) | \$ (212,838) | \$ (218,154) |
| Admin Overhead (G&A) | \$ (173,116) | \$ (174,686) | \$ (179,053) | \$ (183,530) | \$ (188,118) | \$ (192,821) | \$ (197,641) | \$ (202,582) | \$ (207,647) | \$ (212,838) | \$ (218,154) |
| Depreciation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (2,077,389) | \$ (2,096,234) | \$ (2,148,640) | \$ (2,202,356) | \$ (2,257,415) | \$ (2,313,850) | \$ (2,371,697) | \$ (2,430,989) | \$ (2,491,764) | \$ (2,554,058) | \$ (2,617,814) |

| | | | | | | | | | | | |
|--------------------|------|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (5,000,000) | \$ (2,077,389) | \$ (2,096,234) | \$ (2,148,640) | \$ (2,202,356) | \$ (2,257,415) | \$ (2,313,850) | \$ (2,371,697) | \$ (2,430,989) | \$ (2,491,764) | \$ (2,554,058) |
| Operating Cash Flow: | | \$ (2,077,389) | \$ (2,096,234) | \$ (2,148,640) | \$ (2,202,356) | \$ (2,257,415) | \$ (2,313,850) | \$ (2,371,697) | \$ (2,430,989) | \$ (2,491,764) | \$ (2,554,058) |
| Present Value of Total Cash Flow | | \$ (2,077,389) | \$ (2,096,234) | \$ (2,148,640) | \$ (2,202,356) | \$ (2,257,415) | \$ (2,313,850) | \$ (2,371,697) | \$ (2,430,989) | \$ (2,491,764) | \$ (2,554,058) |
| Net Present Value: | \$ (5,000,000) | \$ (7,077,389) | \$ (9,173,623) | \$ (11,322,263) | \$ (13,524,620) | \$ (15,782,035) | \$ (18,095,885) | \$ (20,467,582) | \$ (22,898,571) | \$ (25,390,335) | \$ (27,944,393) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used --

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|----------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Flt Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|--------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,000,000) | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,000,000) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|-----------------|-----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (13,497,986) | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,622,341) | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,912,033) | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,912,033) | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (22,944,393) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|-------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (27,944,393) | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (27,944,393) | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (22,944,393) | Operating Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (22,944,393) | Present Value: |
| \$ (27,944,393) | \$ (27,944,393) | \$ (27,944,393) | \$ (27,944,393) | \$ (27,944,393) | \$ (27,944,393) | \$ (27,944,393) | \$ (27,944,393) | \$ (27,944,393) | \$ (27,944,393) | \$ (27,944,393) | Net Present Value |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N229DE

Type of Operation: **Government**

Make/Model: **Used** -- Acquisition: **Purchase**

Program Length: **10 Years** Date: **7-Jun-00**

| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|--------------|
| Capital Gains Tax | 0 % | | |
| Corp Tax Rate: | 0 % | Method: | Straightline |
| Desired ROI: | 0 % | Term: | 10 |
| Interest Rate: | 0 % | Residual: | 95 |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 10 % | + | \$ - /Year |
| Admin Overhead: | 10 % | + | \$ - /Year |
| Revenue: | \$ - | /Flt Hr. | + |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 499.82 | Hrs/Yr. | |
| Acquisition Cost: | \$ 5,000,000 | Residual Value: | \$ - |

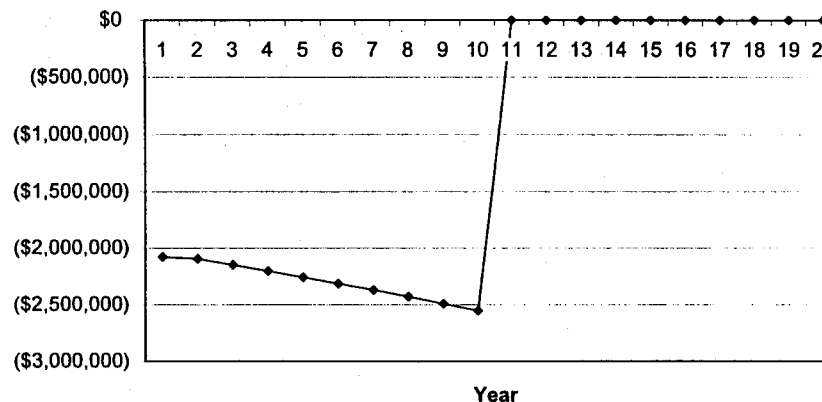
| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|--------------------|---------|-------------------------|---------------------------|---------------------|
| Acquisition Cost 0 | \$ - | \$ (5,000,000) | \$ - | \$ (5,000,000) |
| 1 | \$ - | \$ (2,077,389) | \$ - | \$ (2,077,389) |
| 2 | \$ - | \$ (2,096,234) | \$ - | \$ (2,096,234) |
| 3 | \$ - | \$ (2,148,640) | \$ - | \$ (2,148,640) |
| 4 | \$ - | \$ (2,202,356) | \$ - | \$ (2,202,356) |
| 5 | \$ - | \$ (2,257,415) | \$ - | \$ (2,257,415) |
| 6 | \$ - | \$ (2,313,850) | \$ - | \$ (2,313,850) |
| 7 | \$ - | \$ (2,371,697) | \$ - | \$ (2,371,697) |
| 8 | \$ - | \$ (2,430,989) | \$ - | \$ (2,430,989) |
| 9 | \$ - | \$ (2,491,764) | \$ - | \$ (2,491,764) |
| 10 | \$ - | \$ (2,554,058) | \$ - | \$ (2,554,058) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (27,944,393) | \$ - | \$ (27,944,393) |

Investment: \$ 5,000,000

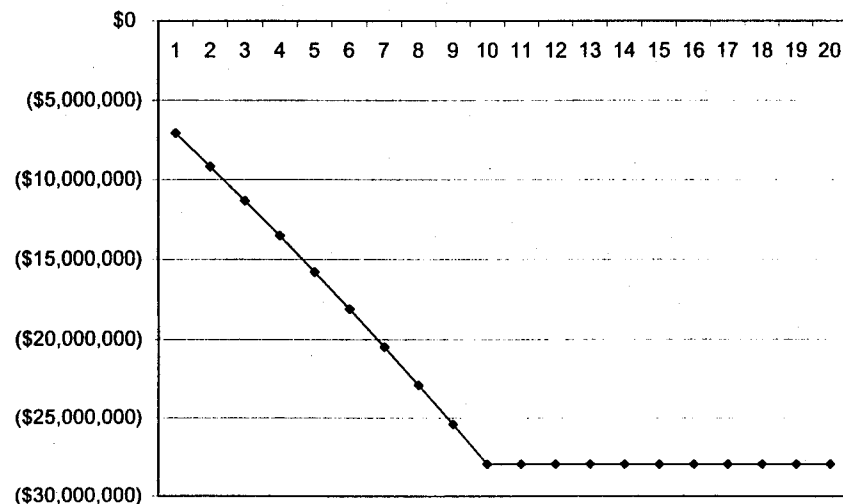
Present Value: \$ (22,944,393) Net Present Value: \$ (27,944,393)

After Tax Cash Flow From Operations

(Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00

(Page 2)

DOE AL N229DE

Government

Make/Model: Used - Acquisition: Purchase 499.82 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Fuel | | \$ 605,062 | \$ 618,109 | \$ 633,561 | \$ 649,400 | \$ 665,635 | \$ 682,276 | \$ 699,333 | \$ 716,817 | \$ 734,737 | \$ 753,105 | \$ 6,758,036 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 97,094 | \$ 99,521 | \$ 102,009 | \$ 104,560 | \$ 107,174 | \$ 109,853 | \$ 112,599 | \$ 115,414 | \$ 118,300 | \$ 121,257 | \$ 1,087,781 |
| Parts | | \$ 53,987 | \$ 55,337 | \$ 56,720 | \$ 58,138 | \$ 59,592 | \$ 61,081 | \$ 62,608 | \$ 64,174 | \$ 65,778 | \$ 67,422 | \$ 604,837 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 394,908 | \$ 404,780 | \$ 414,900 | \$ 425,272 | \$ 435,904 | \$ 446,802 | \$ 457,972 | \$ 469,421 | \$ 481,157 | \$ 493,186 | \$ 4,424,303 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ 160 | \$ 164 | \$ 168 | \$ 172 | \$ 177 | \$ 181 | \$ 186 | \$ 190 | \$ 195 | \$ 200 | \$ 1,793 |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | | \$ 965 | \$ 989 | \$ 1,013 | \$ 1,039 | \$ 1,065 | \$ 1,091 | \$ 1,119 | \$ 1,147 | \$ 1,175 | \$ 1,205 | \$ 10,807 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 4,968 | \$ 3,704 | \$ 3,797 | \$ 3,892 | \$ 3,989 | \$ 4,089 | \$ 4,191 | \$ 4,296 | \$ 4,403 | \$ 4,513 | \$ 41,840 |
| Crew Expenses | | \$ 59,930 | \$ 51,098 | \$ 52,376 | \$ 53,685 | \$ 55,027 | \$ 56,403 | \$ 57,813 | \$ 59,258 | \$ 60,740 | \$ 62,258 | \$ 568,589 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 1,217,073 | \$ 1,233,702 | \$ 1,264,545 | \$ 1,296,158 | \$ 1,328,562 | \$ 1,361,777 | \$ 1,395,821 | \$ 1,430,716 | \$ 1,466,484 | \$ 1,503,146 | \$ 13,497,986 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 270,434 | \$ 277,195 | \$ 284,125 | \$ 291,228 | \$ 298,509 | \$ 305,971 | \$ 313,621 | \$ 321,461 | \$ 329,498 | \$ 337,735 | \$ 3,029,775 |
| Maintenance Technicians | | \$ 100,508 | \$ 103,021 | \$ 105,596 | \$ 108,236 | \$ 110,942 | \$ 113,716 | \$ 116,558 | \$ 119,472 | \$ 122,459 | \$ 125,521 | \$ 1,126,029 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 105,397 | \$ 94,255 | \$ 96,612 | \$ 99,027 | \$ 101,503 | \$ 104,040 | \$ 106,641 | \$ 109,307 | \$ 112,040 | \$ 114,841 | \$ 1,043,664 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,496 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 28,113 | \$ 28,816 | \$ 29,536 | \$ 30,275 | \$ 31,031 | \$ 31,807 | \$ 32,602 | \$ 33,418 | \$ 34,253 | \$ 35,109 | \$ 314,961 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 66,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 514,084 | \$ 513,160 | \$ 525,989 | \$ 539,138 | \$ 552,617 | \$ 566,432 | \$ 580,593 | \$ 595,108 | \$ 609,986 | \$ 625,235 | \$ 5,622,341 |

| | | | | | | | | | | | | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 173,116 | \$ 174,686 | \$ 179,053 | \$ 183,530 | \$ 188,118 | \$ 192,821 | \$ 197,641 | \$ 202,582 | \$ 207,647 | \$ 212,838 | \$ 212,838 | \$ 1,912,033 |
| Administrative Overhead (G&A) | \$ 173,116 | \$ 174,686 | \$ 179,053 | \$ 183,530 | \$ 188,118 | \$ 192,821 | \$ 197,641 | \$ 202,582 | \$ 207,647 | \$ 212,838 | \$ 212,838 | \$ 1,912,033 |
| Total Annual Cost | \$ 2,077,389 | \$ 2,096,234 | \$ 2,148,640 | \$ 2,202,356 | \$ 2,257,415 | \$ 2,313,850 | \$ 2,371,697 | \$ 2,430,989 | \$ 2,491,764 | \$ 2,554,058 | \$ 2,554,058 | \$ 22,944,393 |

Cost Of Ownership Analysis

| | | |
|--------------------|---------------|----------|
| For: | DOE AL N229DE | 7-Jun-00 |
| Aircraft: | -- | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: DC-9 Present Fleet - Should Costs
Ops. O/H at 10% and G&A at 10%

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE AL N229DE

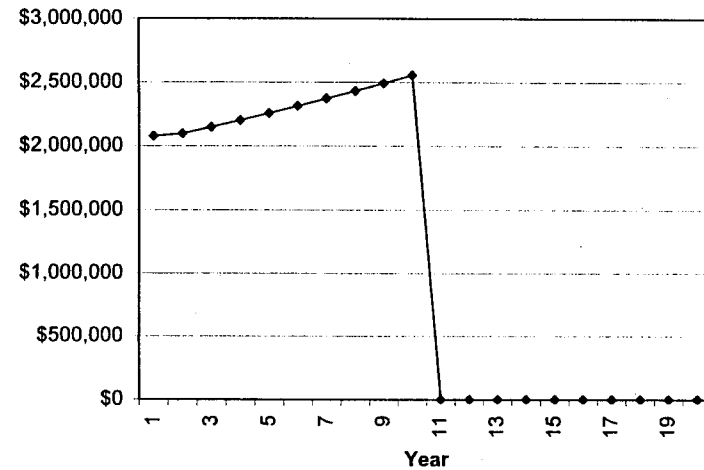
Type of Operation: **Government**

Make/Model: **Used** -- Date: 7-Jun-00

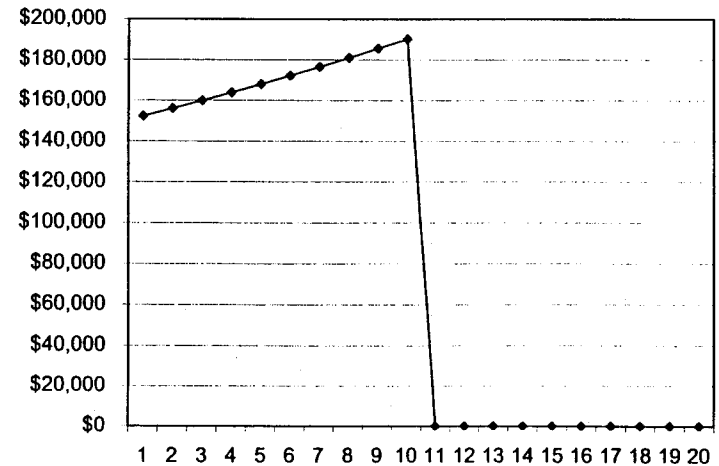
Program Length: 10 Years Acquisition: **Purchase**

| Program Data: | | | Acquisition Cost + Sales Tax: | | |
|-------------------------------|----------|---------------|-------------------------------|--------------|--------------|
| Hrs/Year | 499.82 | | Purchase Price | \$ 5,000,000 | |
| Cycles/Hour | 1.25 | | State Sales Tax: | \$ - | |
| Residual Value | 95 | % | Spares + Tooling: | \$ - | |
| MX Labor Rate | \$ 65.00 | /MH | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.27 | /GAL | Trade-in/Other: | \$ - | |
| | | | Total | \$ 5,000,000 | |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 43538 | | Finance Cost/Year | \$ - | |
| Total Years | 33 | | Final Payment | \$ - | |
| Total Cycles | 54218 | | Lease Cost/Year | \$ - | |
| | | | | | |
| Ave Inflation: | 2.50% | /Year | | | |
| | | | Insured Value: | \$ - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 13,497,986 | \$ 1,349,799 | \$ 2,701 | ?? |
| | | | | | |
| Total Fixed Cost | | \$ 5,622,341 | \$ 562,234 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 3,824,065 | \$ 382,407 | | |
| | | | | | |
| Total Cost: | | \$ 22,944,393 | \$ 2,294,439 | \$ 4,591 | ?? |
| Annual Budget: | Year 1 | \$ 2,077,389 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 2,096,234 | Year 12 | \$ - | |
| | Year 3 | \$ 2,148,640 | Year 13 | \$ - | |
| | Year 4 | \$ 2,202,356 | Year 14 | \$ - | |
| | Year 5 | \$ 2,257,415 | Year 15 | \$ - | |
| | Year 6 | \$ 2,313,850 | Year 16 | \$ - | |
| | Year 7 | \$ 2,371,697 | Year 17 | \$ - | |
| | Year 8 | \$ 2,430,989 | Year 18 | \$ - | |
| | Year 9 | \$ 2,491,764 | Year 19 | \$ - | |
| | Year 10 | \$ 2,554,058 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|-------|--------------|----------|-------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|-------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

--

Database Date: Jan-00

Life Cycle Cost 2000

Input Data

Notes: DC-9 Present Fleet - Costs Normalized

| | | | |
|--------------------------------------|---------------|---|--------------|
| Customer: | DOE AL N229DE | Type of Operation: | Government |
| Date of Analysis: | 7-Jun-00 | Type of Analysis: | Total Cost |
| Aircraft: | - | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 43538 | If Straightline; | |
| Total Years | 33 | Term (Years) | 10 |
| Total Cycles | 54218 | Residual Value (%) | 95% |
| Base of Operation: | - | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 499.82 | | |
| Cycles per Flt Hr (Airframe): | 1.25 | | |
| Cycles per Flt Hr (Engine): | 1.25 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 5,000,000 | Insured Value | \$ - |
| State Sales Tax: | \$ - | Resale Value | 95.0% |
| Spares + Tooling: | \$ - | Brokerage Fee: | \$ - |
| Initial Training: | \$ - | | |
| Trade-in/Other: | \$ - | | |
| Total | \$ 5,000,000 | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.27 | Fuel Consumption (Gallon/Flt Hr) | 950 |
| Maintenance Labor Rate (\$/Mh) | \$ 65.00 | Other | \$ 1.93 |
| Fixed Cost Input | | Hangar Cost (\$/Year): | \$ - |
| Salaries/Aircraft (\$/Year) | | Nav & Weather Service (\$/Yr.): | \$ 5,942 |
| Pilots/Flight Crew: | \$ 270,434 | Crew Expenses (\$/Flt Hr): | \$ - |
| Maintenance Technicians: | \$ 100,508 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ - | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 25% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 28,113 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ - | Insurance: Liability (\$/Year): | \$ 3,690 |
| Administrative Overhead (%): | \$ - | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ 656,049 | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ 181,489 | Computer Maint Mgmt System (\$/Yr) | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | | |
|-------------|------|-------|-------------|------|-----|
| Airframe: | 0.00 | | Airframe: | \$ - | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|-------|-------------------------------|---------------------------|--------------------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |

| Life Limited Parts | Parts Cost | Prem Removals | Frequency | | |
|--------------------|------------|---------------|-----------|--|--|
|--------------------|------------|---------------|-----------|--|--|

Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

7-Jun-00

DOE AL N229DE

Government

Make/Model:

Used -

Acquisition: Purchase

499.82 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|------|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Flt Hr) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (5,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (5,000,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | \$ (1,217,073) | \$ (1,233,702) | \$ (1,264,545) | \$ (1,296,158) | \$ (1,328,562) | \$ (1,361,777) | \$ (1,395,821) | \$ (1,430,716) | \$ (1,466,484) | \$ (1,503,146) | \$ (1,540,799) |
| Fixed Cost | \$ (514,084) | \$ (513,160) | \$ (525,989) | \$ (539,138) | \$ (552,617) | \$ (566,432) | \$ (580,593) | \$ (595,108) | \$ (609,986) | \$ (625,235) | \$ (640,864) |
| Operations Overhead | \$ (656,049) | \$ (672,450) | \$ (689,261) | \$ (706,493) | \$ (724,155) | \$ (742,259) | \$ (760,816) | \$ (779,836) | \$ (799,332) | \$ (819,315) | \$ (839,774) |
| Admin Overhead (G&A) | \$ (181,489) | \$ (186,026) | \$ (190,677) | \$ (195,444) | \$ (200,330) | \$ (205,338) | \$ (210,472) | \$ (215,733) | \$ (221,127) | \$ (226,655) | \$ (232,308) |
| Depreciation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (2,568,695) | \$ (2,605,338) | \$ (2,670,472) | \$ (2,737,234) | \$ (2,805,664) | \$ (2,875,806) | \$ (2,947,701) | \$ (3,021,394) | \$ (3,096,929) | \$ (3,174,352) | \$ (3,253,684) |

| | | | | | | | | | | | |
|--------------------|------|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (5,000,000) | \$ (2,568,695) | \$ (2,605,338) | \$ (2,670,472) | \$ (2,737,234) | \$ (2,805,664) | \$ (2,875,806) | \$ (2,947,701) | \$ (3,021,394) | \$ (3,096,929) | \$ (3,174,352) |
| Operating Cash Flow: | \$ (2,568,695) | \$ (2,605,338) | \$ (2,670,472) | \$ (2,737,234) | \$ (2,805,664) | \$ (2,875,806) | \$ (2,947,701) | \$ (3,021,394) | \$ (3,096,929) | \$ (3,174,352) | \$ (3,253,684) |
| Present Value of Total Cash Flow | \$ (2,568,695) | \$ (2,605,338) | \$ (2,670,472) | \$ (2,737,234) | \$ (2,805,664) | \$ (2,875,806) | \$ (2,947,701) | \$ (3,021,394) | \$ (3,096,929) | \$ (3,174,352) | \$ (3,253,684) |
| Net Present Value: | \$ (5,000,000) | \$ (7,568,695) | \$ (10,174,034) | \$ (12,844,506) | \$ (15,581,739) | \$ (18,387,404) | \$ (21,263,210) | \$ (24,210,911) | \$ (27,232,305) | \$ (30,329,233) | \$ (33,503,585) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used -

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|----------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Flt Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|--------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,000,000) | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,000,000) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|-----------------|-----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (13,497,986) | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,622,341) | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (7,349,967) | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (2,033,291) | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (28,503,585) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|-------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (33,503,585) | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (28,503,585) | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (28,503,585) | Operating Cash Flow: |
| \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | Present Value: |
| \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | \$ (33,503,585) | Net Present Value |

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00

(Page 2)

DOE AL N229DE

Government

Make/Model: Used - Acquisition: Purchase 499.82 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Fuel | | \$ 605,062 | \$ 618,109 | \$ 633,561 | \$ 649,400 | \$ 665,635 | \$ 682,276 | \$ 699,333 | \$ 716,817 | \$ 734,737 | \$ 753,105 | \$ 6,758,036 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 97,094 | \$ 99,521 | \$ 102,009 | \$ 104,560 | \$ 107,174 | \$ 109,853 | \$ 112,599 | \$ 115,414 | \$ 118,300 | \$ 121,257 | \$ 1,087,781 |
| Parts | | \$ 53,987 | \$ 55,337 | \$ 56,720 | \$ 58,138 | \$ 59,592 | \$ 61,081 | \$ 62,608 | \$ 64,174 | \$ 65,778 | \$ 67,422 | \$ 604,837 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 394,908 | \$ 404,780 | \$ 414,900 | \$ 425,272 | \$ 435,904 | \$ 446,802 | \$ 457,972 | \$ 469,421 | \$ 481,157 | \$ 493,186 | \$ 4,424,303 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ 160 | \$ 164 | \$ 168 | \$ 172 | \$ 177 | \$ 181 | \$ 186 | \$ 190 | \$ 195 | \$ 200 | \$ 1,793 |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | | \$ 965 | \$ 989 | \$ 1,013 | \$ 1,039 | \$ 1,065 | \$ 1,091 | \$ 1,119 | \$ 1,147 | \$ 1,175 | \$ 1,205 | \$ 10,807 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 4,968 | \$ 3,704 | \$ 3,797 | \$ 3,892 | \$ 3,989 | \$ 4,089 | \$ 4,191 | \$ 4,296 | \$ 4,403 | \$ 4,513 | \$ 41,840 |
| Crew Expenses | | \$ 59,930 | \$ 51,098 | \$ 52,376 | \$ 53,685 | \$ 55,027 | \$ 56,403 | \$ 57,813 | \$ 59,258 | \$ 60,740 | \$ 62,258 | \$ 568,589 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 1,217,073 | \$ 1,233,702 | \$ 1,264,545 | \$ 1,296,158 | \$ 1,328,562 | \$ 1,361,777 | \$ 1,395,821 | \$ 1,430,716 | \$ 1,466,484 | \$ 1,503,146 | \$ 13,497,986 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 270,434 | \$ 277,195 | \$ 284,125 | \$ 291,228 | \$ 298,509 | \$ 305,971 | \$ 313,621 | \$ 321,461 | \$ 329,498 | \$ 337,735 | \$ 3,029,775 |
| Maintenance Technicians | | \$ 100,508 | \$ 103,021 | \$ 105,596 | \$ 108,236 | \$ 110,942 | \$ 113,716 | \$ 116,558 | \$ 119,472 | \$ 122,459 | \$ 125,521 | \$ 1,126,029 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 105,397 | \$ 94,255 | \$ 96,612 | \$ 99,027 | \$ 101,503 | \$ 104,040 | \$ 106,641 | \$ 109,307 | \$ 112,040 | \$ 114,841 | \$ 1,043,664 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,496 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 28,113 | \$ 28,816 | \$ 29,536 | \$ 30,275 | \$ 31,031 | \$ 31,807 | \$ 32,602 | \$ 33,418 | \$ 34,253 | \$ 35,109 | \$ 314,961 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 66,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 514,084 | \$ 513,160 | \$ 525,989 | \$ 539,138 | \$ 552,617 | \$ 566,432 | \$ 580,593 | \$ 595,108 | \$ 609,986 | \$ 625,235 | \$ 5,622,341 |

| | | | | | | | | | | | | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 656,049 | \$ 672,450 | \$ 689,261 | \$ 706,493 | \$ 724,155 | \$ 742,259 | \$ 760,816 | \$ 779,836 | \$ 799,332 | \$ 819,315 | \$ 839,888 | \$ 7,349,967 |
| Administrative Overhead (G&A) | \$ 181,489 | \$ 186,026 | \$ 190,677 | \$ 195,444 | \$ 200,330 | \$ 205,338 | \$ 210,472 | \$ 215,733 | \$ 221,127 | \$ 226,655 | \$ 232,378 | \$ 2,033,291 |
| Total Annual Cost | \$ 2,568,695 | \$ 2,605,338 | \$ 2,670,472 | \$ 2,737,234 | \$ 2,805,664 | \$ 2,875,806 | \$ 2,947,701 | \$ 3,021,394 | \$ 3,096,929 | \$ 3,174,352 | \$ 3,253,831 | \$ 28,503,585 |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N229DE

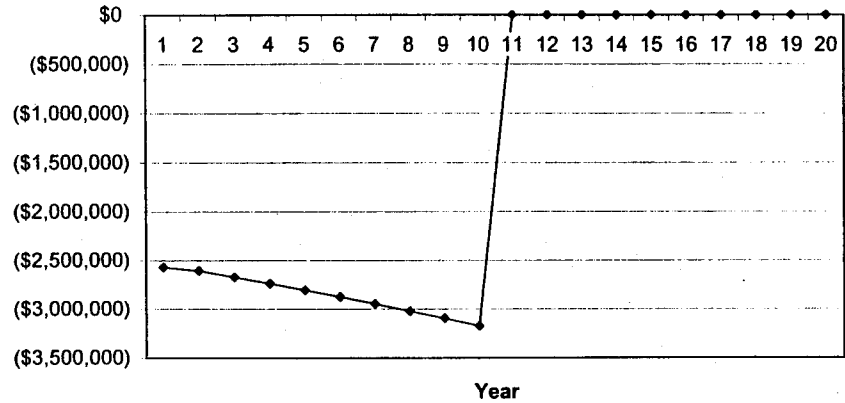
Type of Operation: **Government**

Make/Model: **Used --** Acquisition: **Purchase**

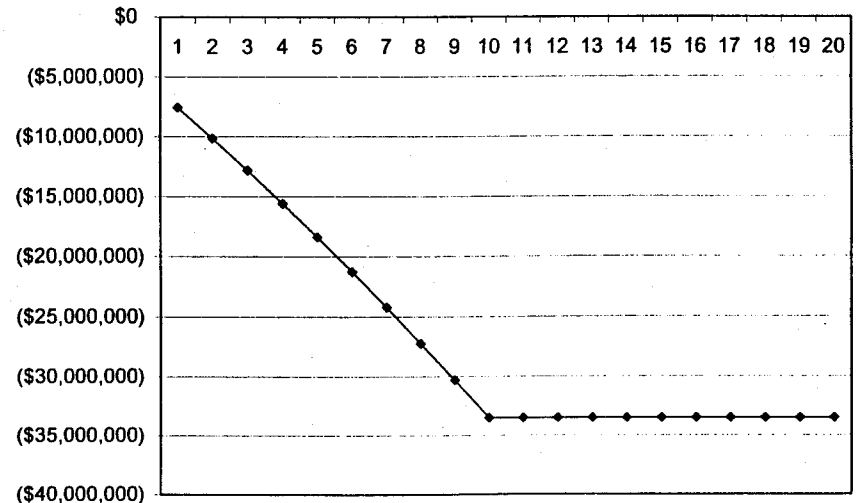
Program Length: **10 Years** Date: **7-Jun-00**

| Financial Information: | | Depreciation: | | |
|------------------------|-----------------|-------------------------|---------------------------|---------------------|
| Capital Gains Tax: | 0 % | | | |
| Corp Tax Rate: | 0 % | Method: | Straightline | |
| Desired ROI: | 0 % | Term: | 10 | |
| Interest Rate: | 0 % | Residual: | 95 | |
| Inflation Rate: | 2.5 % | | | |
| Ops Overhead: | 0 % | + | \$ 656,049.00 /Year | |
| Admin Overhead: | 0 % | + | \$ 181,489.00 /Year | |
| Revenue: | \$ - | /Ft Hr. + | \$ - /Mo | |
| Revenue Hours: | \$ - | Hrs/Yr. | | |
| Flight Hours: | 499.82 | Hrs/Yr. | | |
| Acquisition Cost: | \$ 5,000,000 | Residual Value: | \$ - | |
| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
| Acquisition Cost 0 | \$ - | \$ (5,000,000) | \$ - | \$ (5,000,000) |
| 1 | \$ - | \$ (2,568,695) | \$ - | \$ (2,568,695) |
| 2 | \$ - | \$ (2,605,338) | \$ - | \$ (2,605,338) |
| 3 | \$ - | \$ (2,670,472) | \$ - | \$ (2,670,472) |
| 4 | \$ - | \$ (2,737,234) | \$ - | \$ (2,737,234) |
| 5 | \$ - | \$ (2,805,664) | \$ - | \$ (2,805,664) |
| 6 | \$ - | \$ (2,875,806) | \$ - | \$ (2,875,806) |
| 7 | \$ - | \$ (2,947,701) | \$ - | \$ (2,947,701) |
| 8 | \$ - | \$ (3,021,394) | \$ - | \$ (3,021,394) |
| 9 | \$ - | \$ (3,096,929) | \$ - | \$ (3,096,929) |
| 10 | \$ - | \$ (3,174,352) | \$ - | \$ (3,174,352) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (33,503,585) | \$ - | \$ (33,503,585) |
| Investment: | \$ 5,000,000 | | | |
| Present Value: | \$ (28,503,585) | Net Present Value: | | \$ (33,503,585) |

After Tax Cash Flow From Operations
(Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Cost Of Ownership Analysis

For: DOE AL N229DE 7-Jun-00

Aircraft: --

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: DC-9 Present Fleet - Costs Normalized

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N229DE

Type of Operation: **Government**

Make/Model: **Used --**

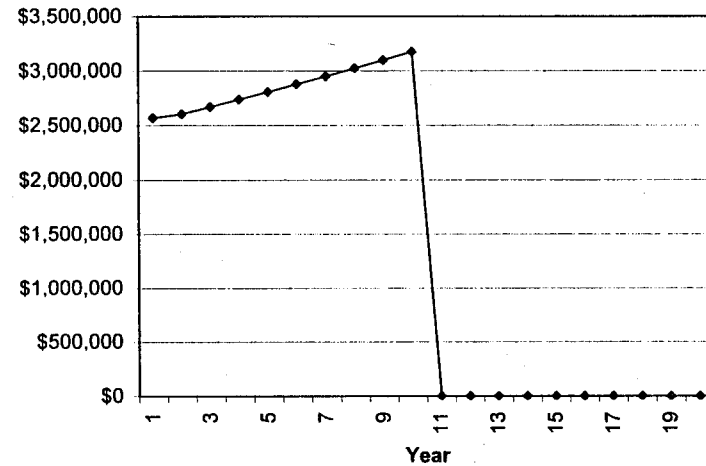
Date: **7-Jun-00**

Program Length: **10 Years**

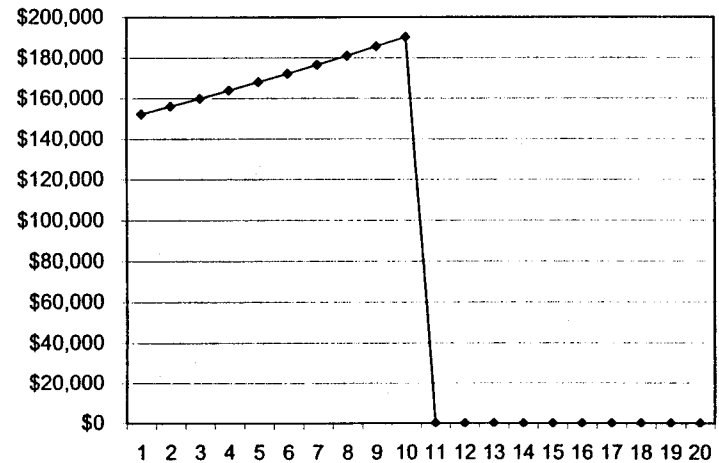
Acquisition: **Purchase**

| Program Data: | | | Acquisition Cost + Sales Tax: | | |
|-------------------------------|--------------|---------------|-------------------------------|--------------|--------------|
| Hrs/Year | 499.82 | | Purchase Price | \$ 5,000,000 | |
| Cycles/Hour | 1.25 | | State Sales Tax: | \$ - | |
| Residual Value | 95 % | | Spares + Tooling: | \$ - | |
| MX Labor Rate | \$ 65.00 /MH | | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.27 /GAL | | Trade-in/Other: | \$ - | |
| | | | Total | \$ 5,000,000 | |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 43538 | | Finance Cost/Year | \$ - | |
| Total Years | 33 | | Final Payment | \$ - | |
| Total Cycles | 54218 | | Lease Cost/Year | \$ - | |
| | | | | | |
| Ave Inflation: | 2.50% /Year | | Insured Value: | \$ - | |
| | | | | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 13,497,986 | \$ 1,349,799 | \$ 2,701 | ?? |
| | | | | | |
| Total Fixed Cost | | \$ 5,622,341 | \$ 562,234 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 9,383,258 | \$ 938,326 | | |
| | | | | | |
| Total Cost: | | \$ 28,503,585 | \$ 2,850,359 | \$ 5,703 | ?? |
| Annual Budget: | Year 1 | \$ 2,568,695 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 2,605,338 | Year 12 | \$ - | |
| | Year 3 | \$ 2,670,472 | Year 13 | \$ - | |
| | Year 4 | \$ 2,737,234 | Year 14 | \$ - | |
| | Year 5 | \$ 2,805,664 | Year 15 | \$ - | |
| | Year 6 | \$ 2,875,806 | Year 16 | \$ - | |
| | Year 7 | \$ 2,947,701 | Year 17 | \$ - | |
| | Year 8 | \$ 3,021,394 | Year 18 | \$ - | |
| | Year 9 | \$ 3,096,929 | Year 19 | \$ - | |
| | Year 10 | \$ 3,174,352 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE AL N166DE

Type of Operation: Government

Make/Model: Used --

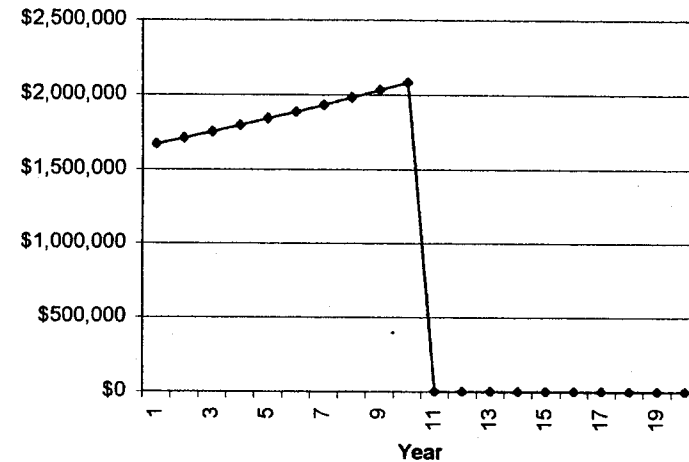
Date: 9-Jun-00

Program Length: 10 Years

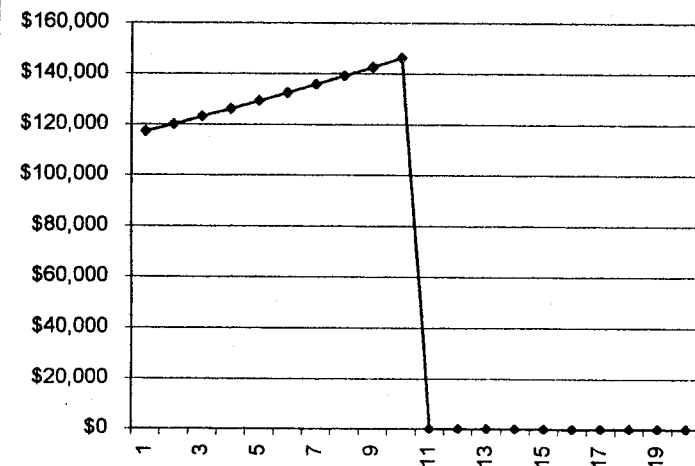
Acquisition: Purchase

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 425 | | Purchase Price | \$ 5,900,000 | |
| Cycles/Hour | 1.32 | | State Sales Tax: | \$ - | |
| Residual Value | 95 % | | Spares + Tooling | \$ - | |
| MX Labor Rate | \$ 61.76 | /MH | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ - | |
| | | | Total | \$ 5,900,000 | |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 43967 | | Finance Cost/Year | \$ - | |
| Total Years | 33 | | Final Payment | \$ - | |
| Total Cycles | 58243 | | Lease Cost/Year | \$ - | |
| | | | | | |
| Ave Inflation: | 2.50% | /Year | | | |
| | | | Insured Value: | \$ - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 12,834,633 | \$ 1,283,463 | \$ 3,020 | ?? |
| | | | | | |
| Total Fixed Cost | | \$ 3,931,567 | \$ 393,157 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 1,901,169 | \$ 190,117 | | |
| | | | | | |
| Total Cost: | | \$ 18,667,369 | \$ 1,866,737 | \$ 4,392 | ?? |
| Annual Budget: | Year 1 | \$ 1,666,226 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 1,707,882 | Year 12 | \$ - | |
| | Year 3 | \$ 1,750,579 | Year 13 | \$ - | |
| | Year 4 | \$ 1,794,343 | Year 14 | \$ - | |
| | Year 5 | \$ 1,839,202 | Year 15 | \$ - | |
| | Year 6 | \$ 1,885,182 | Year 16 | \$ - | |
| | Year 7 | \$ 1,932,312 | Year 17 | \$ - | |
| | Year 8 | \$ 1,980,619 | Year 18 | \$ - | |
| | Year 9 | \$ 2,030,135 | Year 19 | \$ - | |
| | Year 10 | \$ 2,080,888 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

9-Jun-00

(Page 2)

DOE AL N166DE

Government

Make/Model:

Used --

Acquisition: Purchase

425 Hours/Year

Aircraft Value:

\$ -

Residual Value \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | | \$ 605,625 | \$ 620,766 | \$ 636,285 | \$ 652,192 | \$ 668,497 | \$ 685,209 | \$ 702,339 | \$ 719,898 | \$ 737,895 | \$ 756,343 | \$ 6,785,048 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 78,743 | \$ 80,712 | \$ 82,729 | \$ 84,798 | \$ 86,918 | \$ 89,090 | \$ 91,318 | \$ 93,601 | \$ 95,941 | \$ 98,339 | \$ 882,188 |
| Parts | | \$ 37,315 | \$ 38,248 | \$ 39,204 | \$ 40,184 | \$ 41,189 | \$ 42,218 | \$ 43,274 | \$ 44,356 | \$ 45,465 | \$ 46,601 | \$ 418,054 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 377,396 | \$ 386,831 | \$ 396,501 | \$ 406,414 | \$ 416,574 | \$ 426,989 | \$ 437,663 | \$ 448,605 | \$ 459,820 | \$ 471,316 | \$ 4,228,109 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | | \$ 1,063 | \$ 1,089 | \$ 1,116 | \$ 1,144 | \$ 1,173 | \$ 1,202 | \$ 1,232 | \$ 1,263 | \$ 1,295 | \$ 1,327 | \$ 11,904 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 3,073 | \$ 3,150 | \$ 3,228 | \$ 3,309 | \$ 3,392 | \$ 3,477 | \$ 3,563 | \$ 3,653 | \$ 3,744 | \$ 3,837 | \$ 34,425 |
| Crew Expenses | | \$ 42,390 | \$ 43,449 | \$ 44,535 | \$ 45,649 | \$ 46,790 | \$ 47,960 | \$ 49,159 | \$ 50,388 | \$ 51,647 | \$ 52,939 | \$ 474,906 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | ##### | \$ 1,174,244 | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 163,288 | \$ 167,370 | \$ 171,554 | \$ 175,843 | \$ 180,239 | \$ 184,745 | \$ 189,364 | \$ 194,098 | \$ 198,951 | \$ 203,924 | \$ 1,829,378 |
| Maintenance Technicians | | \$ 53,912 | \$ 55,260 | \$ 56,641 | \$ 58,057 | \$ 59,509 | \$ 60,996 | \$ 62,521 | \$ 64,084 | \$ 65,687 | \$ 67,329 | \$ 603,997 |
| Other | | \$ 23,706 | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,821 | \$ 27,492 | \$ 28,179 | \$ 28,883 | \$ 29,606 | \$ 265,587 |
| Benefits | | \$ 72,272 | \$ 74,079 | \$ 75,931 | \$ 77,829 | \$ 79,775 | \$ 81,769 | \$ 83,813 | \$ 85,908 | \$ 88,056 | \$ 90,258 | \$ 809,689 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,496 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 28,117 | \$ 28,820 | \$ 29,540 | \$ 30,279 | \$ 31,036 | \$ 31,812 | \$ 32,607 | \$ 33,422 | \$ 34,258 | \$ 35,114 | \$ 315,005 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 68,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 350,927 | \$ 359,700 | \$ 368,692 | \$ 377,910 | \$ 387,358 | \$ 397,041 | \$ 406,968 | \$ 417,142 | \$ 427,570 | \$ 438,259 | \$ 3,931,567 |

| | | | | | | | | | | | | |
|-------------------------------|------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 109,523 | \$ 112,261 | \$ 115,068 | \$ 117,944 | \$ 120,893 | \$ 123,915 | \$ 127,013 | \$ 130,188 | \$ 133,443 | \$ 136,779 | \$ 139,141 | \$ 1,227,028 |
| Administrative Overhead (G&A) | \$ 60,173 | \$ 61,677 | \$ 63,219 | \$ 64,800 | \$ 66,420 | \$ 68,080 | \$ 69,782 | \$ 71,527 | \$ 73,315 | \$ 75,148 | \$ 77,021 | \$ 674,141 |
| Total Annual Cost | ##### | \$ 1,707,882 | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N166DE

Type of Operation: **Government**

Make/Model: **Used** — Acquisition: **Purchase**

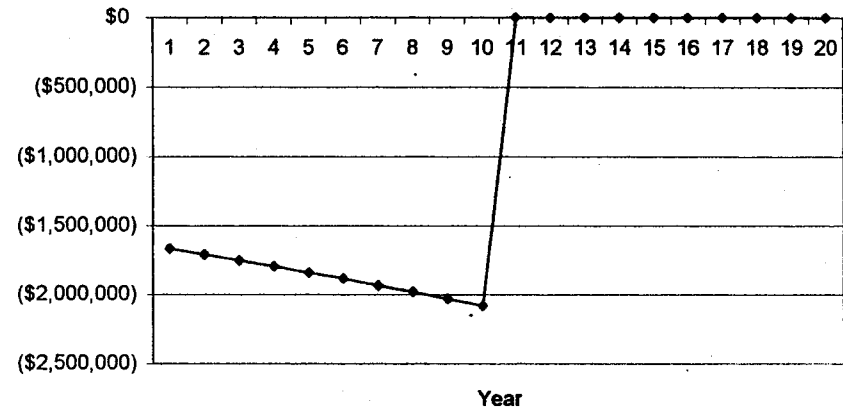
Program Length: **10 Years** Date: **9-Jun-00**

| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|---------------------|
| Capital Gains Tax: | 0 % | | |
| Corp Tax Rate: | 0 % | Method: | Straightline |
| Desired ROI: | 0 % | Term: | 10 |
| Interest Rate: | 0 % | Residual: | 95 |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 0 % | + | \$ 109,523.00 /Year |
| Admin Overhead: | 0 % | + | \$ 60,173.00 /Year |
| Revenue: | \$ - | /Fit Hr. + | \$ - /Mo |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 425 | Hrs/Yr. | |
| Acquisition Cost: | \$ 5,900,000 | Residual Value: | \$ - |

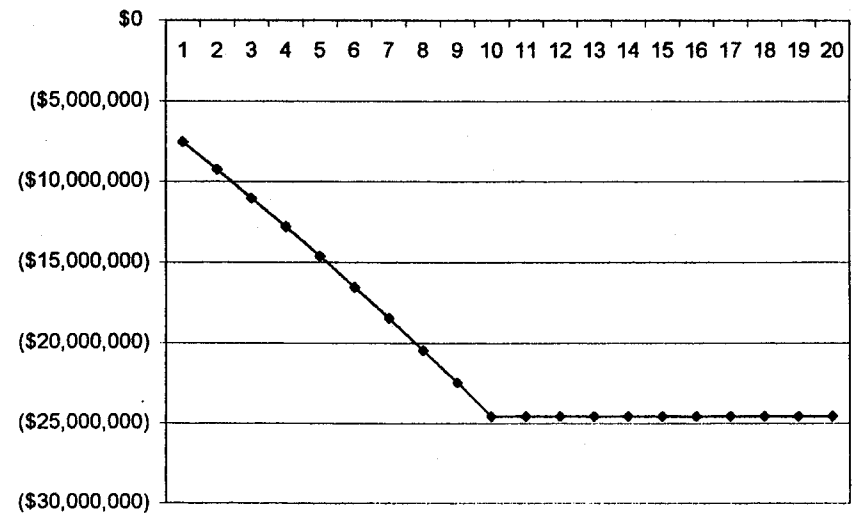
| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|--------------------|-----------------|-------------------------|---------------------------|---------------------|
| Acquisition Cost 0 | \$ - | \$ (5,900,000) | \$ - | \$ (5,900,000) |
| 1 | \$ - | \$ (1,666,226) | \$ - | \$ (1,666,226) |
| 2 | \$ - | \$ (1,707,882) | \$ - | \$ (1,707,882) |
| 3 | \$ - | \$ (1,750,579) | \$ - | \$ (1,750,579) |
| 4 | \$ - | \$ (1,794,343) | \$ - | \$ (1,794,343) |
| 5 | \$ - | \$ (1,839,202) | \$ - | \$ (1,839,202) |
| 6 | \$ - | \$ (1,885,182) | \$ - | \$ (1,885,182) |
| 7 | \$ - | \$ (1,932,312) | \$ - | \$ (1,932,312) |
| 8 | \$ - | \$ (1,980,619) | \$ - | \$ (1,980,619) |
| 9 | \$ - | \$ (2,030,135) | \$ - | \$ (2,030,135) |
| 10 | \$ - | \$ (2,080,888) | \$ - | \$ (2,080,888) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (24,567,369) | \$ - | \$ (24,567,369) |
| Investment: | \$ 5,900,000 | | | |
| Present Value: | \$ (18,667,369) | Net Present Value: | \$ (24,567,369) | |

After Tax Cash Flow From Operations

(Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

9-Jun-00

DOE AL N166DE

Government

Make/Model:

Used -

Acquisition:

Purchase

425 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Flt Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (5,900,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (5,900,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | | \$ (1,145,604) | \$ (1,174,244) | \$ (1,203,600) | \$ (1,233,690) | \$ (1,264,532) | \$ (1,296,145) | \$ (1,328,549) | \$ (1,361,763) | \$ (1,395,807) | \$ (1,430,702) |
| Fixed Cost | | \$ (350,927) | \$ (359,700) | \$ (368,692) | \$ (377,910) | \$ (387,358) | \$ (397,041) | \$ (406,968) | \$ (417,142) | \$ (427,570) | \$ (438,259) |
| Operations Overhead | | \$ (109,523) | \$ (112,261) | \$ (115,068) | \$ (117,944) | \$ (120,893) | \$ (123,915) | \$ (127,013) | \$ (130,188) | \$ (133,443) | \$ (136,779) |
| Admin Overhead (G&A) | | \$ (60,173) | \$ (61,677) | \$ (63,219) | \$ (64,800) | \$ (66,420) | \$ (68,080) | \$ (69,782) | \$ (71,527) | \$ (73,315) | \$ (75,148) |
| Depreciation | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) |

| | | | | | | | | | | | |
|--------------------|--|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (5,900,000) | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) |
| Operating Cash Flow: | | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) |
| Present Value of Total Cash Flow | | \$ (1,666,226) | \$ (1,707,882) | \$ (1,750,579) | \$ (1,794,343) | \$ (1,839,202) | \$ (1,885,182) | \$ (1,932,312) | \$ (1,980,619) | \$ (2,030,135) | \$ (2,080,888) |
| Net Present Value: | \$ (5,900,000) | \$ (7,566,226) | \$ (9,274,108) | \$ (11,024,687) | \$ (12,819,031) | \$ (14,658,233) | \$ (16,543,415) | \$ (18,475,727) | \$ (20,456,346) | \$ (22,486,481) | \$ (24,567,369) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used -

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|-----------------|
| | | | | | | | | | | | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Fit Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|--|---------------------------------|
| | | | | | | | | | | | | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,900,000) | | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,900,000) | | Total |

| | | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|-----------------|--|------------------------------|
| | | | | | | | | | | | | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (12,834,633) | | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (3,931,567) | | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,227,028) | | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (674,141) | | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,667,369) | | Total |

| | | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|--|--------------------|
| | | | | | | | | | | | | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Total |

| | | | | | | | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--|-----------------------------|
| | | | | | | | | | | | | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (24,567,369) | | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,667,369) | | Operating Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (18,667,369) | | Present Value: |
| \$ (24,567,369) | \$ (24,567,369) | \$ (24,567,369) | \$ (24,567,369) | \$ (24,567,369) | \$ (24,567,369) | \$ (24,567,369) | \$ (24,567,369) | \$ (24,567,369) | \$ (24,567,369) | \$ (24,567,369) | | Net Present Value |

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|------|
| Airframe: | 0.00 | Airframe: | \$ - |
| Engine: | 0.00 | Engine: | \$ - |
| Avionics: | 0.00 | Avionics: | \$ - |

| Guaranteed Maintenance Plans | | | |
|------------------------------|-----|-----------|----|
| Engine: | Yes | Avionics: | No |
| | | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|----|--------------------|------------------|-----------|--------|-------|
| Name: | | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
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| | 9 | | | | | |
| | 10 | | | | | |
| | 11 | | | | | |
| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|----|---------------|---------------|-----------|--------|-------|
| Name: | | (Current \$) | /1000 HR | Hours | Cycles | Years |
| | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
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| | 20 | | | | | |

| Life Limited Parts | Parts Cost | Prem Removals | Frequency | | |
|--------------------|------------|---------------|-----------|--|--|
|--------------------|------------|---------------|-----------|--|--|

Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|-------|--------------|----------|-------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
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| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | Cycles | Years |
|-----------------------------------|-------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | | |
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
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| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

—

Database Date: Jan-00

Life Cycle Cost 2000

Cost Of Ownership Analysis

For: DOE AL N166DE 9-Jun-00

Aircraft: --

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: DC-9 Future Fleet GOGO

Life Cycle Cost 2000

Input Data

Notes: DC-9 Future Fleet GOGO

| | | | |
|--------------------------------------|---------------|--|--------------|
| Customer: | DOE AL N166DE | Type of Operation: | Government |
| Date of Analysis: | 9-Jun-00 | Type of Analysis: | Total Cost |
| Aircraft: | -- | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 43967 | If Straightline: | |
| Total Years | 33 | Term (Years) | 10 |
| Total Cycles | 58243 | Residual Value (%) | 95% |
| Base of Operation: | -- | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 425 | | |
| Cycles per Flt Hr (Airframe): | 1.32 | | |
| Cycles per Flt Hr (Engine): | 1.32 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 5,900,000 | Insured Value | \$ - |
| State Sales Tax: | \$ - | Resale Value | 95.0% |
| Spares + Tooling: | \$ - | | |
| Initial Training: | \$ - | Brokerage Fee: | \$ - |
| Trade-in/Other: | \$ - | | |
| Total | \$ 5,900,000 | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.50 | Fuel Consumption (Gallon/Flt Hr) | 950 |
| Maintenance Labor Rate (\$/MH) | \$ 61.76 | Other | \$ 2.50 |
| | | Hangar Cost (\$/Year): | \$ - |
| Fixed Cost Input | | Nav & Weather Service (\$/Yr.): | \$ 5,942 |
| Salaries/Aircraft (\$/Year) | | | \$ - |
| Pilots/Flight Crew: | \$ 163,288 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 53,912 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ 23,706 | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 30% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 28,117 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ - | Insurance: Liability (\$/Year): | \$ 3,690 |
| Administrative Overhead (%): | \$ - | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ 109,523 | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ 60,173 | Computer Maint Mgmt System (\$/Yr): | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

Input Data

Notes: DC-9 Future Fleet GOCO

| | | | |
|--------------------------------------|---------------|---|--------------|
| Customer: | DOE AL N166DE | Type of Operation: | Government |
| Date of Analysis: | 20-Jul-00 | Type of Analysis: | Total Cost |
| Aircraft: | - | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 43967 | If Straightline; | |
| Total Years | 33 | Term (Years) | 10 |
| Total Cycles | 58243 | Residual Value (%) | 95% |
| Base of Operation: | - | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 425 | | |
| Cycles per Flt Hr (Airframe): | 1.32 | | |
| Cycles per Flt Hr (Engine): | 1.32 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 5,900,000 | Insured Value | \$ - |
| State Sales Tax: | \$ - | Resale Value | 95.0% |
| Spares + Tooling: | \$ - | Brokerage Fee: | \$ - |
| Initial Training: | \$ - | | |
| Trade-in/Other: | \$ - | | |
| Total | \$ 5,900,000 | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.50 | Fuel Consumption (Gallon/Flt Hr) | 950 |
| Maintenance Labor Rate (\$/Mf) | \$ 61.76 | Other | \$ 2.50 |
| | | Hangar Cost (\$/Year): | \$ - |
| Fixed Cost Input | | Nav & Weather Service (\$/Yr.): | \$ 5,942 |
| Salaries/Aircraft (\$/Year) | | | \$ - |
| Pilots/Flight Crew: | \$ 163,288 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 53,912 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ 23,706 | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 30% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 28,117 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ - | Insurance: Liability (\$/Year): | \$ 3,690 |
| Administrative Overhead (%): | \$ - | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ 109,523 | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ 90,260 | Computer Maint Mgmt System (\$/Yr): | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|----------|
| Airframe: | 0.00 | Airframe: | \$ - /FH |
| Engine: | 0.00 | Engine: | \$ - |
| Avionics: | 0.00 | Avionics: | \$ - |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | Cycles | Years |
|-------------|----|--------------------|------------------|-----------|--------|-------|
| Name: | | Total (Current \$) | Start (Hrs) | Hours | | |
| Recurring | 1 | | | | | |
| | 2 | | | | | |
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| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | Cycles | Years |
|--------------------|----|---------------|---------------|-----------|--------|-------|
| Name: | | (Current \$) | /1000 HR | Hours | | |
| | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
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| | 5 | | | | | |
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| Life Limited Parts | Parts Cost | Prem Removals | Frequency |
|--------------------|------------|---------------|-----------|
|--------------------|------------|---------------|-----------|

Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|-------|--------------|----------|-------|--------|-------|
| 1 | | | | | | |
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| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|-------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
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| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

-

Database Date: Jan-00

Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

20-Jul-00

DOE AL N166DE

Government

Make/Model:

Used -

Acquisition: Purchase

425 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Flt Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (5,900,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (5,900,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | \$ (1,145,604) | \$ (1,174,244) | \$ (1,203,600) | \$ (1,233,690) | \$ (1,264,532) | \$ (1,296,145) | \$ (1,328,549) | \$ (1,361,763) | \$ (1,395,807) | \$ (1,430,702) | \$ (1,430,702) |
| Fixed Cost | \$ (350,927) | \$ (359,700) | \$ (368,692) | \$ (377,910) | \$ (387,358) | \$ (397,041) | \$ (406,968) | \$ (417,142) | \$ (427,570) | \$ (438,259) | \$ (438,259) |
| Operations Overhead | \$ (109,523) | \$ (112,261) | \$ (115,068) | \$ (117,944) | \$ (120,893) | \$ (123,915) | \$ (127,013) | \$ (130,188) | \$ (133,443) | \$ (136,779) | \$ (136,779) |
| Admin Overhead (G&A) | \$ (90,260) | \$ (92,517) | \$ (94,829) | \$ (97,200) | \$ (99,630) | \$ (102,121) | \$ (104,674) | \$ (107,291) | \$ (109,973) | \$ (112,722) | \$ (112,722) |
| Depreciation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) | \$ (2,118,463) |

| | | | | | | | | | | | |
|--------------------|------|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (5,900,000) | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) |
| Operating Cash Flow: | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) | \$ (2,118,463) |
| Present Value of Total Cash Flow | \$ (1,696,313) | \$ (1,738,721) | \$ (1,782,189) | \$ (1,826,744) | \$ (1,872,412) | \$ (1,919,223) | \$ (1,967,203) | \$ (2,016,383) | \$ (2,066,793) | \$ (2,118,463) | \$ (2,118,463) |
| Net Present Value: | \$ (5,900,000) | \$ (7,596,313) | \$ (9,335,034) | \$ (11,117,224) | \$ (12,943,967) | \$ (14,816,380) | \$ (16,735,603) | \$ (18,702,806) | \$ (20,719,190) | \$ (22,785,983) | \$ (24,904,445) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used --

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|----------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Flt Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|--------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,900,000) | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,900,000) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|-----------------|-----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (12,834,633) | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (3,931,567) | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,227,028) | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,011,217) | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (19,004,445) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|-------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (24,904,445) | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (19,004,445) | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (19,004,445) | Operating Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (19,004,445) | Present Value: |
| \$ (24,904,445) | \$ (24,904,445) | \$ (24,904,445) | \$ (24,904,445) | \$ (24,904,445) | \$ (24,904,445) | \$ (24,904,445) | \$ (24,904,445) | \$ (24,904,445) | \$ (24,904,445) | \$ (24,904,445) | Net Present Value |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N166DE

Type of Operation: **Government**

Make/Model: **Used** -- Acquisition: **Purchase**

Program Length: **10 Years** Date: **20-Jul-00**

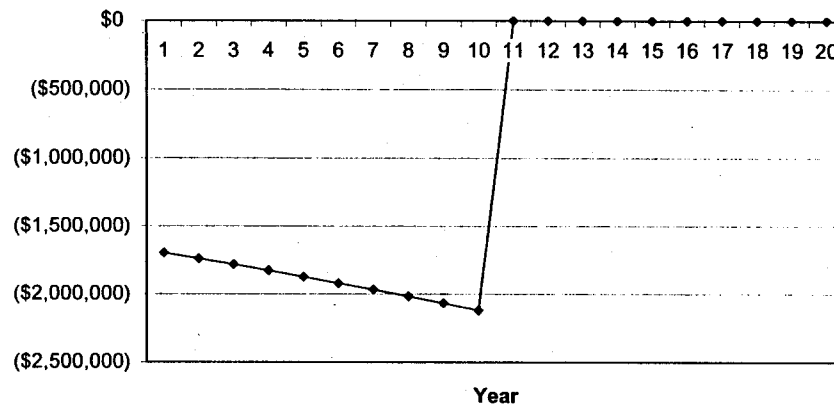
| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|---------------------|
| Capital Gains Tax: | 0 % | Method: | Straightline |
| Corp Tax Rate: | 0 % | Term: | 10 |
| Desired ROI: | 0 % | Residual: | 95 |
| Interest Rate: | 0 % | | |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 0 % | + | \$ 109,523.00 /Year |
| Admin Overhead: | 0 % | + | \$ 90,260.00 /Year |
| Revenue: | \$ - | /Ft Hr. | + |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 425 | Hrs/Yr. | |
| Acquisition Cost: | \$ 5,900,000 | Residual Value: | \$ - |

| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|--------------------|-------------|-------------------------|---------------------------|------------------------|
| Acquisition Cost 0 | \$ - | \$ (5,900,000) | \$ - | \$ (5,900,000) |
| 1 | \$ - | \$ (1,696,313) | \$ - | \$ (1,696,313) |
| 2 | \$ - | \$ (1,738,721) | \$ - | \$ (1,738,721) |
| 3 | \$ - | \$ (1,782,189) | \$ - | \$ (1,782,189) |
| 4 | \$ - | \$ (1,826,744) | \$ - | \$ (1,826,744) |
| 5 | \$ - | \$ (1,872,412) | \$ - | \$ (1,872,412) |
| 6 | \$ - | \$ (1,919,223) | \$ - | \$ (1,919,223) |
| 7 | \$ - | \$ (1,967,203) | \$ - | \$ (1,967,203) |
| 8 | \$ - | \$ (2,016,383) | \$ - | \$ (2,016,383) |
| 9 | \$ - | \$ (2,066,793) | \$ - | \$ (2,066,793) |
| 10 | \$ - | \$ (2,118,463) | \$ - | \$ (2,118,463) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (24,904,445) | \$ - | \$ (24,904,445) |

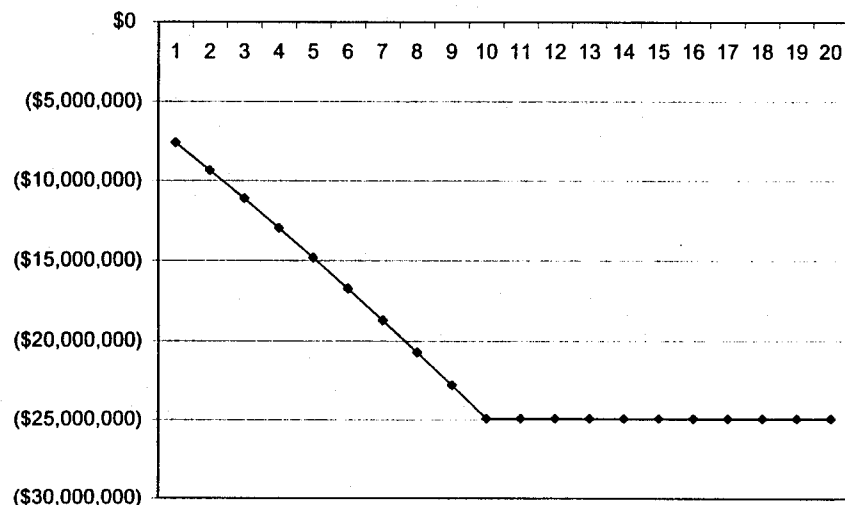
Investment: \$ 5,900,000

Present Value: \$ (19,004,445) Net Present Value: \$ (24,904,445)

After Tax Cash Flow From Operations (Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

20-Jul-00

(Page 2)

DOE AL N166DE

Government

Make/Model: Used - Acquisition: Purchase 425 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Fuel | | \$ 605,625 | \$ 620,766 | \$ 636,285 | \$ 652,192 | \$ 668,497 | \$ 685,209 | \$ 702,339 | \$ 719,898 | \$ 737,895 | \$ 756,343 | \$ 6,785,048 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 78,743 | \$ 80,712 | \$ 82,729 | \$ 84,798 | \$ 86,918 | \$ 89,090 | \$ 91,318 | \$ 93,601 | \$ 95,941 | \$ 98,339 | \$ 882,188 |
| Parts | | \$ 37,315 | \$ 38,248 | \$ 39,204 | \$ 40,184 | \$ 41,189 | \$ 42,218 | \$ 43,274 | \$ 44,356 | \$ 45,465 | \$ 46,601 | \$ 418,054 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 377,396 | \$ 386,831 | \$ 396,501 | \$ 406,414 | \$ 416,574 | \$ 426,989 | \$ 437,663 | \$ 448,605 | \$ 459,820 | \$ 471,316 | \$ 4,228,109 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 1,063 | \$ 1,089 | \$ 1,116 | \$ 1,144 | \$ 1,173 | \$ 1,202 | \$ 1,232 | \$ 1,263 | \$ 1,295 | \$ 1,327 | \$ 11,904 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 3,073 | \$ 3,150 | \$ 3,228 | \$ 3,309 | \$ 3,392 | \$ 3,477 | \$ 3,563 | \$ 3,653 | \$ 3,744 | \$ 3,837 | \$ 34,425 |
| Crew Expenses | | \$ 42,390 | \$ 43,449 | \$ 44,535 | \$ 45,649 | \$ 46,790 | \$ 47,960 | \$ 49,159 | \$ 50,388 | \$ 51,647 | \$ 52,939 | \$ 474,906 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 1,145,604 | \$ 1,174,244 | \$ 1,203,600 | \$ 1,233,690 | \$ 1,264,532 | \$ 1,296,145 | \$ 1,328,549 | \$ 1,361,763 | \$ 1,395,807 | \$ 1,430,702 | \$ 12,834,633 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 163,288 | \$ 167,370 | \$ 171,554 | \$ 175,843 | \$ 180,239 | \$ 184,745 | \$ 189,364 | \$ 194,098 | \$ 198,951 | \$ 203,924 | \$ 1,829,378 |
| Maintenance Technicians | | \$ 53,912 | \$ 55,260 | \$ 56,641 | \$ 58,057 | \$ 59,509 | \$ 60,996 | \$ 62,521 | \$ 64,084 | \$ 65,687 | \$ 67,329 | \$ 603,997 |
| Other | | \$ 23,706 | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,821 | \$ 27,492 | \$ 28,179 | \$ 28,883 | \$ 29,606 | \$ 265,587 |
| Benefits | | \$ 72,272 | \$ 74,079 | \$ 75,931 | \$ 77,829 | \$ 79,775 | \$ 81,769 | \$ 83,813 | \$ 85,908 | \$ 88,056 | \$ 90,258 | \$ 809,689 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,496 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 28,117 | \$ 28,820 | \$ 29,540 | \$ 30,279 | \$ 31,036 | \$ 31,812 | \$ 32,607 | \$ 33,422 | \$ 34,258 | \$ 35,114 | \$ 315,005 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 66,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 350,927 | \$ 359,700 | \$ 368,692 | \$ 377,910 | \$ 387,358 | \$ 397,041 | \$ 406,968 | \$ 417,142 | \$ 427,570 | \$ 438,259 | \$ 3,931,567 |

| | | | | | | | | | | | | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 109,523 | \$ 112,261 | \$ 115,068 | \$ 117,944 | \$ 120,893 | \$ 123,915 | \$ 127,013 | \$ 130,188 | \$ 133,443 | \$ 136,779 | \$ 1,227,028 | |
| Administrative Overhead (G&A) | \$ 90,260 | \$ 92,517 | \$ 94,829 | \$ 97,200 | \$ 99,630 | \$ 102,121 | \$ 104,674 | \$ 107,291 | \$ 109,973 | \$ 112,722 | \$ 1,011,217 | |
| Total Annual Cost | \$ 1,696,313 | \$ 1,738,721 | \$ 1,782,189 | \$ 1,826,744 | \$ 1,872,412 | \$ 1,919,223 | \$ 1,967,203 | \$ 2,016,383 | \$ 2,066,793 | \$ 2,118,463 | \$ 19,004,445 | |

Cost Of Ownership Analysis

For: **DOE AL N166DE** 20-Jul-00

Aircraft: --

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: DC-9 Future Fleet GOCO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N166DE

Type of Operation: **Government**

Make/Model: **Used** --

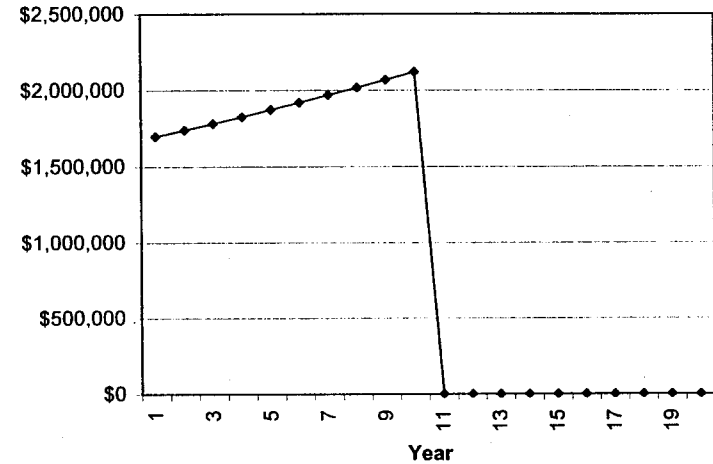
Date: 20-Jul-00

Program Length: 10 Years

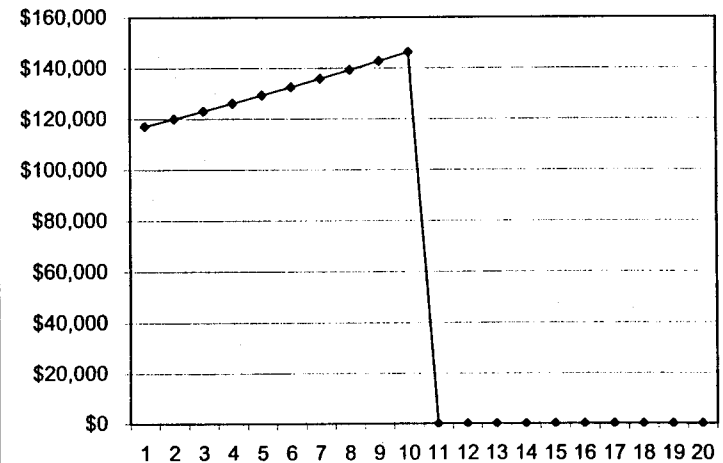
Acquisition: **Purchase**

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 425 | | Purchase Price | \$ 5,900,000 | |
| Cycles/Hour | 1.32 | | State Sales Tax: | \$ - | |
| Residual Value | 95 % | | Spares + Tooling: | \$ - | |
| MX Labor Rate | \$ 61.76 | /MH | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ - | |
| | | | Total | \$ 5,900,000 | |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 43967 | | Finance Cost/Year | \$ - | |
| Total Years | 33 | | Final Payment | \$ - | |
| Total Cycles | 58243 | | Lease Cost/Year | \$ - | |
| | | | | | |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ - | |
| | | | | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 12,834,633 | \$ 1,283,463 | \$ 3,020 | ?? |
| | | | | | |
| Total Fixed Cost | | \$ 3,931,567 | \$ 393,157 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 2,238,245 | \$ 223,825 | | |
| | | | | | |
| Total Cost: | | \$ 19,004,445 | \$ 1,900,445 | \$ 4,472 | ?? |
| Annual Budget: | Year 1 | \$ 1,696,313 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 1,738,721 | Year 12 | \$ - | |
| | Year 3 | \$ 1,782,189 | Year 13 | \$ - | |
| | Year 4 | \$ 1,826,744 | Year 14 | \$ - | |
| | Year 5 | \$ 1,872,412 | Year 15 | \$ - | |
| | Year 6 | \$ 1,919,223 | Year 16 | \$ - | |
| | Year 7 | \$ 1,967,203 | Year 17 | \$ - | |
| | Year 8 | \$ 2,016,383 | Year 18 | \$ - | |
| | Year 9 | \$ 2,066,793 | Year 19 | \$ - | |
| | Year 10 | \$ 2,118,463 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

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DOE AL N166DE

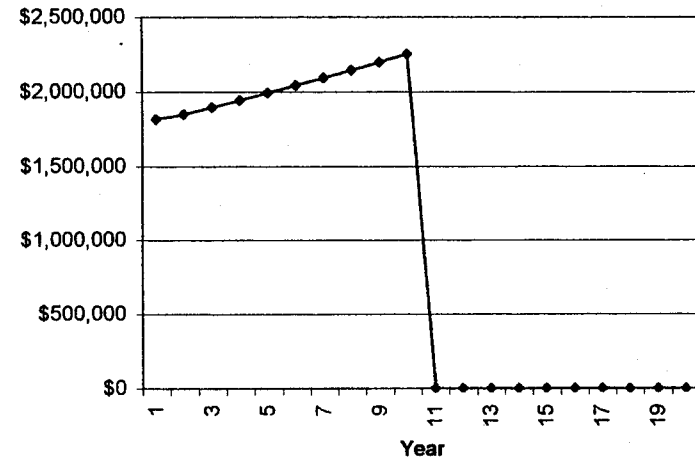
Type of Operation: **Government**

Make/Model: **Used** -- Date: **7-Jun-00**

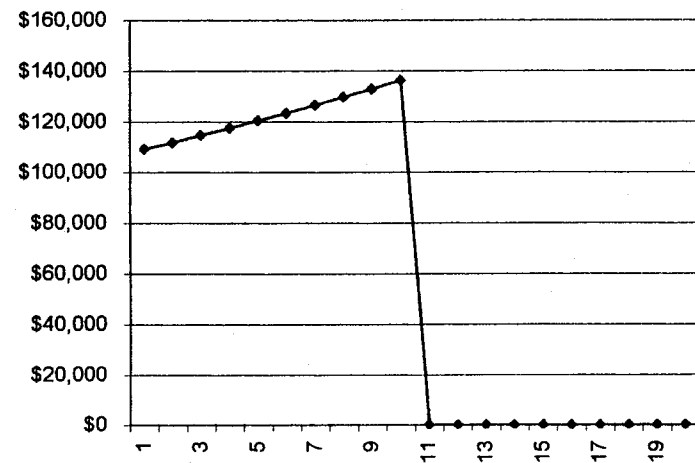
Program Length: **10** Years Acquisition: **Purchase**

| Program Data: | | | Acquisition Cost + Sales Tax: | | |
|-------------------------------|--------------|---------------|-------------------------------|--------------|--------------|
| Hrs/Year | 382.15 | | Purchase Price | \$ 5,900,000 | |
| Cycles/Hour | 1.32 | | State Sales Tax: | \$ - | |
| Residual Value | 95 % | | Spares + Tooling | \$ - | |
| MX Labor Rate | \$ 65.00 /MH | | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.27 /GAL | | Trade-in/Other: | \$ - | |
| | | | Total | \$ 5,900,000 | |
| Airframe Status: | | | | | |
| Total Hours | 43967 | | Lease/Finance Payments: | | |
| Total Years | 33 | | Finance Cost/Year | \$ - | |
| Total Cycles | 58243 | | Final Payment | \$ - | |
| | | | Lease Cost/Year | \$ - | |
| Ave Inflation: | 2.50% /Year | | Insured Value: | \$ - | |
| | | | | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 11,271,154 | \$ 1,127,115 | \$ 2,949 | ?? |
| | | | | | |
| Total Fixed Cost | | \$ 5,578,732 | \$ 557,873 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 3,369,977 | \$ 336,998 | | |
| | | | | | |
| Total Cost: | | \$ 20,219,863 | \$ 2,021,986 | \$ 5,291 | ?? |
| Annual Budget: | Year 1 | \$ 1,816,072 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 1,848,788 | Year 12 | \$ - | |
| | Year 3 | \$ 1,895,007 | Year 13 | \$ - | |
| | Year 4 | \$ 1,942,383 | Year 14 | \$ - | |
| | Year 5 | \$ 1,990,942 | Year 15 | \$ - | |
| | Year 6 | \$ 2,040,716 | Year 16 | \$ - | |
| | Year 7 | \$ 2,091,734 | Year 17 | \$ - | |
| | Year 8 | \$ 2,144,027 | Year 18 | \$ - | |
| | Year 9 | \$ 2,197,628 | Year 19 | \$ - | |
| | Year 10 | \$ 2,252,568 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00

(Page 2)

DOE AL N166DE

Government

Make/Model: Used -

Acquisition: Purchase 382.15 Hours/Year

Aircraft Value: \$ - Residual Value \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | | \$ 462,615 | \$ 472,591 | \$ 484,405 | \$ 496,515 | \$ 508,928 | \$ 521,652 | \$ 534,693 | \$ 548,060 | \$ 561,762 | \$ 575,806 | \$ 5,167,027 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 85,944 | \$ 88,093 | \$ 90,295 | \$ 92,552 | \$ 94,866 | \$ 97,238 | \$ 99,669 | \$ 102,160 | \$ 104,714 | \$ 107,332 | \$ 962,863 |
| Parts | | \$ 21,831 | \$ 22,377 | \$ 22,936 | \$ 23,510 | \$ 24,097 | \$ 24,700 | \$ 25,317 | \$ 25,950 | \$ 26,599 | \$ 27,264 | \$ 244,581 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 394,906 | \$ 404,779 | \$ 414,898 | \$ 425,271 | \$ 435,903 | \$ 446,800 | \$ 457,970 | \$ 469,419 | \$ 481,155 | \$ 493,184 | \$ 4,424,285 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ 293 | \$ 300 | \$ 308 | \$ 316 | \$ 323 | \$ 332 | \$ 340 | \$ 348 | \$ 357 | \$ 366 | \$ 3,283 |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | | \$ 967 | \$ 991 | \$ 1,016 | \$ 1,041 | \$ 1,067 | \$ 1,094 | \$ 1,121 | \$ 1,149 | \$ 1,178 | \$ 1,207 | \$ 10,832 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 5,820 | \$ 2,832 | \$ 2,903 | \$ 2,975 | \$ 3,050 | \$ 3,126 | \$ 3,204 | \$ 3,284 | \$ 3,366 | \$ 3,451 | \$ 34,011 |
| Crew Expenses | | \$ 35,364 | \$ 39,069 | \$ 40,045 | \$ 41,046 | \$ 42,073 | \$ 43,124 | \$ 44,202 | \$ 45,308 | \$ 46,440 | \$ 47,601 | \$ 424,272 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | ##### | \$ 1,031,031 | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 267,668 | \$ 274,360 | \$ 281,219 | \$ 288,249 | \$ 295,455 | \$ 302,842 | \$ 310,413 | \$ 318,173 | \$ 326,127 | \$ 334,281 | \$ 2,998,787 |
| Maintenance Technicians | | \$ 100,508 | \$ 103,021 | \$ 105,596 | \$ 108,236 | \$ 110,942 | \$ 113,716 | \$ 116,558 | \$ 119,472 | \$ 122,459 | \$ 125,521 | \$ 1,126,029 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 99,728 | \$ 93,553 | \$ 95,891 | \$ 98,289 | \$ 100,746 | \$ 103,265 | \$ 105,846 | \$ 108,492 | \$ 111,205 | \$ 113,985 | \$ 1,030,999 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,496 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 28,117 | \$ 28,820 | \$ 29,540 | \$ 30,279 | \$ 31,036 | \$ 31,812 | \$ 32,607 | \$ 33,422 | \$ 34,258 | \$ 35,114 | \$ 315,005 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 66,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 505,653 | \$ 509,626 | \$ 522,366 | \$ 535,426 | \$ 548,811 | \$ 562,531 | \$ 576,595 | \$ 591,010 | \$ 605,785 | \$ 620,929 | \$ 5,578,732 |

| | | | | | | | | | | | | |
|-------------------------------|--|------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Finance/Lease Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | | \$ 151,339 | \$ 154,066 | \$ 157,917 | \$ 161,865 | \$ 165,912 | \$ 170,060 | \$ 174,311 | \$ 178,669 | \$ 183,136 | \$ 187,714 | \$ 1,684,989 |
| Administrative Overhead (G&A) | | \$ 151,339 | \$ 154,066 | \$ 157,917 | \$ 161,865 | \$ 165,912 | \$ 170,060 | \$ 174,311 | \$ 178,669 | \$ 183,136 | \$ 187,714 | \$ 1,684,989 |
| Total Annual Cost | | ##### | \$ 1,848,788 | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

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DOE AL N166DE

Type of Operation: **Government**

Make/Model: **Used** - Acquisition: **Purchase**

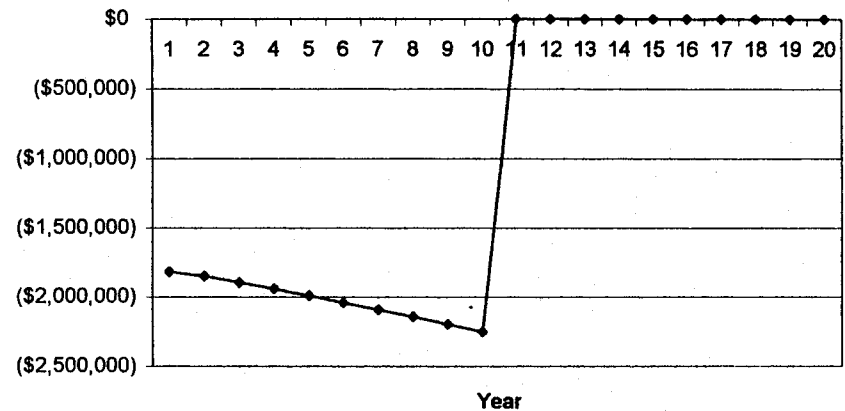
Program Length: **10 Years** Date: **7-Jun-00**

| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|--------------|
| Capital Gains Tax | 0 % | | |
| Corp Tax Rate: | 0 % | Method: | Straightline |
| Desired ROI: | 0 % | Term: | 10 |
| Interest Rate: | 0 % | Residual: | 95 |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 10 % | + | \$ - /Year |
| Admin Overhead: | 10 % | + | \$ - /Year |
| Revenue: | \$ - | /Ft Hr. + | \$ - /Mo |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 382.15 | Hrs/Yr. | |
| Acquisition Cost: | \$ 5,900,000 | Residual Value: | \$ - |

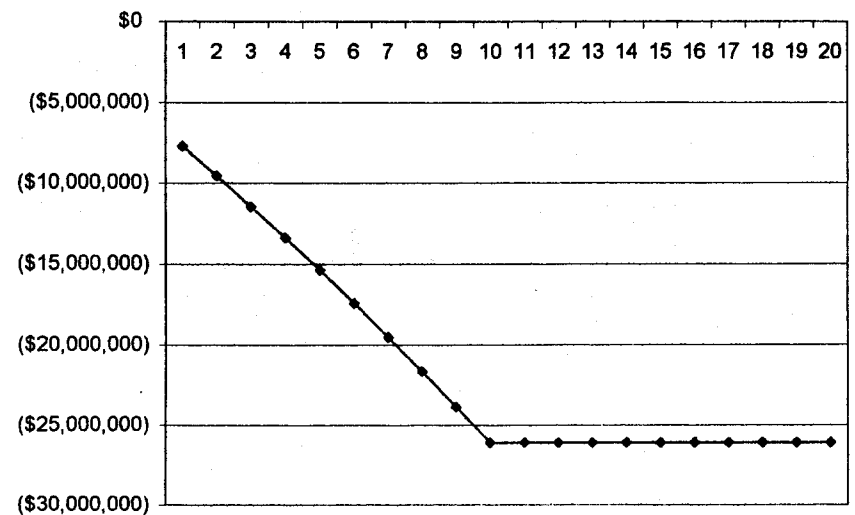
| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|--------------------|-----------------|-------------------------|---------------------------|------------------------|
| Acquisition Cost 0 | \$ - | \$ (5,900,000) | \$ - | \$ (5,900,000) |
| 1 | \$ - | \$ (1,816,072) | \$ - | \$ (1,816,072) |
| 2 | \$ - | \$ (1,848,788) | \$ - | \$ (1,848,788) |
| 3 | \$ - | \$ (1,895,007) | \$ - | \$ (1,895,007) |
| 4 | \$ - | \$ (1,942,383) | \$ - | \$ (1,942,383) |
| 5 | \$ - | \$ (1,990,942) | \$ - | \$ (1,990,942) |
| 6 | \$ - | \$ (2,040,716) | \$ - | \$ (2,040,716) |
| 7 | \$ - | \$ (2,091,734) | \$ - | \$ (2,091,734) |
| 8 | \$ - | \$ (2,144,027) | \$ - | \$ (2,144,027) |
| 9 | \$ - | \$ (2,197,628) | \$ - | \$ (2,197,628) |
| 10 | \$ - | \$ (2,252,568) | \$ - | \$ (2,252,568) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (26,119,863) | \$ - | \$ (26,119,863) |
| Investment: | \$ 5,900,000 | | | |
| Present Value: | \$ (20,219,863) | Net Present Value: | \$ (26,119,863) | |

After Tax Cash Flow From Operations

(Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

7-Jun-00

DOE AL N166DE

Government

Make/Model:

Used -

Acquisition: Purchase

382.15 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Flt Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (5,900,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (5,900,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | | \$ (1,007,740) | \$ (1,031,031) | \$ (1,056,806) | \$ (1,083,227) | \$ (1,110,307) | \$ (1,138,065) | \$ (1,166,517) | \$ (1,195,679) | \$ (1,225,571) | \$ (1,256,211) |
| Fixed Cost | | \$ (505,653) | \$ (509,626) | \$ (522,366) | \$ (535,426) | \$ (548,811) | \$ (562,531) | \$ (576,595) | \$ (591,010) | \$ (605,785) | \$ (620,929) |
| Operations Overhead | | \$ (151,339) | \$ (154,066) | \$ (157,917) | \$ (161,865) | \$ (165,912) | \$ (170,060) | \$ (174,311) | \$ (178,669) | \$ (183,136) | \$ (187,714) |
| Admin Overhead (G&A) | | \$ (151,339) | \$ (154,066) | \$ (157,917) | \$ (161,865) | \$ (165,912) | \$ (170,060) | \$ (174,311) | \$ (178,669) | \$ (183,136) | \$ (187,714) |
| Depreciation | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ (1,816,072) | \$ (1,848,788) | \$ (1,895,007) | \$ (1,942,383) | \$ (1,990,942) | \$ (2,040,716) | \$ (2,091,734) | \$ (2,144,027) | \$ (2,197,628) | \$ (2,252,568) |

| | | | | | | | | | | | |
|--------------------|--|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (5,900,000) | \$ (1,816,072) | \$ (1,848,788) | \$ (1,895,007) | \$ (1,942,383) | \$ (1,990,942) | \$ (2,040,716) | \$ (2,091,734) | \$ (2,144,027) | \$ (2,197,628) | \$ (2,252,568) |
| Operating Cash Flow: | | \$ (1,816,072) | \$ (1,848,788) | \$ (1,895,007) | \$ (1,942,383) | \$ (1,990,942) | \$ (2,040,716) | \$ (2,091,734) | \$ (2,144,027) | \$ (2,197,628) | \$ (2,252,568) |
| Present Value of Total Cash Flow | | \$ (1,816,072) | \$ (1,848,788) | \$ (1,895,007) | \$ (1,942,383) | \$ (1,990,942) | \$ (2,040,716) | \$ (2,091,734) | \$ (2,144,027) | \$ (2,197,628) | \$ (2,252,568) |
| Net Present Value: | \$ (5,900,000) | \$ (7,716,072) | \$ (9,564,859) | \$ (11,459,867) | \$ (13,402,249) | \$ (15,393,191) | \$ (17,433,907) | \$ (19,525,640) | \$ (21,669,667) | \$ (23,867,295) | \$ (26,119,863) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used -

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|-----------------|
| | | | | | | | | | | | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Flt Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|---------------------------------|
| | | | | | | | | | | | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,900,000) | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,900,000) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|-----------------|------------------------------|
| | | | | | | | | | | | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (11,271,154) | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,578,732) | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,684,989) | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,684,989) | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (20,219,863) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|--------------------|
| | | | | | | | | | | | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------------------|
| | | | | | | | | | | | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (26,119,863) | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (20,219,863) | Operating Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (20,219,863) | Present Value: |
| \$ (26,119,863) | \$ (26,119,863) | \$ (26,119,863) | \$ (26,119,863) | \$ (26,119,863) | \$ (26,119,863) | \$ (26,119,863) | \$ (26,119,863) | \$ (26,119,863) | \$ (26,119,863) | \$ (26,119,863) | Net Present Value |

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|----------|
| Airframe: | 0.00 | Airframe: | \$ - /FH |
| Engine: | 0.00 | Engine: | \$ - |
| Avionics: | 0.00 | Avionics: | \$ - |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|-------|--------------------|------------------|-----------|--------|-------|
| | Name: | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |
| | 11 | | | | | |
| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|-------|---------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |
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| | 12 | | | | | |
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| | 14 | | | | | |
| | 15 | | | | | |
| | 16 | | | | | |
| | 17 | | | | | |
| | 18 | | | | | |
| | 19 | | | | | |
| | 20 | | | | | |

| Life Limited Parts | Parts Cost | Prem Removals | Frequency | | |
|--------------------|------------|---------------|-----------|--|--|
|--------------------|------------|---------------|-----------|--|--|

Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|-------|--------------|----------|-------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
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| 22 | | | | | | |
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| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restora/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | Cycles | Years |
|----------------------------------|-------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | | |
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

—

Database Date: Jan-00

Cost Of Ownership Analysis

For: DOE AL N166DE 7-Jun-00

Aircraft: --

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: DC-9 Present Fleet - Should Costs
Ops. O/H at 10% and G&A at 10%

Life Cycle Cost 2000

Input Data

Notes: DC-9 Present Fleet - Should Costs
Ops. O/H at 10% and G&A at 10%

| | | | |
|--------------------------------------|---------------|---|--------------|
| Customer: | DOE AL N166DE | Type of Operation: | Government |
| Date of Analysis: | 7-Jun-00 | | |
| Aircraft: | -- | Type of Analysis: | Total Cost |
| Aircraft Status: | Used | Acquisition Method: | Purchase |
| Total Time | 43967 | Depreciation Method: | Straightline |
| Total Years | 33 | If Straightline: | |
| Total Cycles | 58243 | Term (Years) | 10 |
| | | Residual Value (%) | 95% |
| Base of Operation: | -- | | |
| | | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 382.15 | | |
| Cycles per Flt Hr (Airframe): | 1.32 | | |
| Cycles per Flt Hr (Engine): | 1.32 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 5,900,000 | | |
| State Sales Tax: | \$ - | Insured Value | \$ - |
| Spares + Tooling: | \$ - | | |
| Initial Training: | \$ - | Resale Value | 95.0% |
| Trade-in/Other: | \$ - | | |
| Total | \$ 5,900,000 | Brokerage Fee: | \$ - |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.27 | Fuel Consumption (Gallon/Flt Hr) | 950 |
| Maintenance Labor Rate (\$/MH) | \$ 65.00 | Other | \$ 2.53 |
| | | | |
| | | Hangar Cost (\$/Year): | \$ - |
| Fixed Cost Input | | Nav & Weather Service (\$/Yr.): | \$ 5,942 |
| Salaries/Aircraft (\$/Year) | | | \$ - |
| Pilots/Flight Crew: | \$ 267,668 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 100,508 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ - | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 25% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 28,117 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ 10 | Insurance: Liability (\$/Year): | \$ 3,690 |
| Administrative Overhead (%): | \$ 10 | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ - | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ - | Computer Maint Mgmt System (\$/Yr): | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE AL N166DE

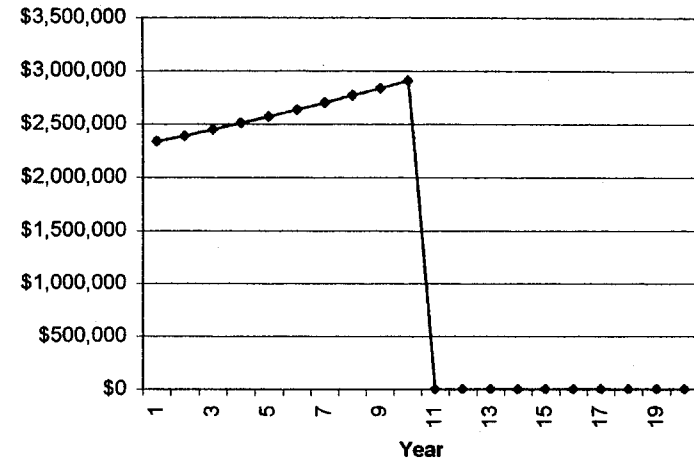
Type of Operation: **Government**

Make/Model: **Used** -- Date: **7-Jun-00**

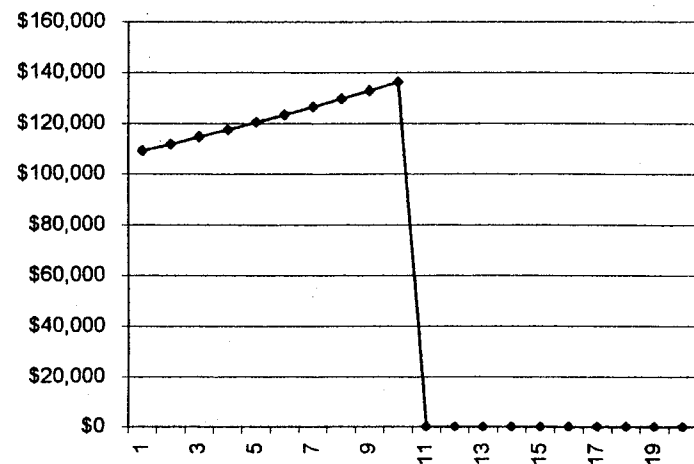
Program Length: **10** Years Acquisition: **Purchase**

| | | | | | |
|-------------------------------|--------------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 382.15 | | Purchase Price | \$ 5,900,000 | |
| Cycles/Hour | 1.32 | | State Sales Tax: | \$ - | |
| Residual Value | 95 % | | Spares + Tooling | \$ - | |
| MX Labor Rate | \$ 65.00 /MH | | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.27 /GAL | | Trade-in/Other: | \$ - | |
| | | | Total | \$ 5,900,000 | |
| Airframe Status: | | | | | |
| Total Hours | 43967 | | Lease/Finance Payments: | | |
| Total Years | 33 | | Finance Cost/Year | \$ - | |
| Total Cycles | 58243 | | Final Payment | \$ - | |
| | | | Lease Cost/Year | \$ - | |
| Ave Inflation: | 2.50% /Year | | Insured Value: | \$ - | |
| | | | | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 11,271,154 | \$ 1,127,115 | \$ 2,949 | ?? |
| | | | | | |
| Total Fixed Cost | | \$ 5,578,732 | \$ 557,873 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 9,283,391 | \$ 928,339 | | |
| | | | | | |
| Total Cost: | | \$ 26,133,277 | \$ 2,613,328 | \$ 6,838 | ?? |
| Annual Budget: | Year 1 | \$ 2,342,017 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 2,389,996 | Year 12 | \$ - | |
| | Year 3 | \$ 2,449,746 | Year 13 | \$ - | |
| | Year 4 | \$ 2,510,990 | Year 14 | \$ - | |
| | Year 5 | \$ 2,573,764 | Year 15 | \$ - | |
| | Year 6 | \$ 2,638,108 | Year 16 | \$ - | |
| | Year 7 | \$ 2,704,061 | Year 17 | \$ - | |
| | Year 8 | \$ 2,771,663 | Year 18 | \$ - | |
| | Year 9 | \$ 2,840,954 | Year 19 | \$ - | |
| | Year 10 | \$ 2,911,978 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00

(Page 2)

DOE AL N166DE

Government

Make/Model: Used --

Acquisition: Purchase 382.15 Hours/Year

Aircraft Value: \$ - Residual Value \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | | \$ 462,615 | \$ 472,591 | \$ 484,405 | \$ 496,515 | \$ 508,928 | \$ 521,652 | \$ 534,693 | \$ 548,060 | \$ 561,762 | \$ 575,806 | \$ 5,167,027 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 85,944 | \$ 88,093 | \$ 90,295 | \$ 92,552 | \$ 94,868 | \$ 97,238 | \$ 99,669 | \$ 102,160 | \$ 104,714 | \$ 107,332 | \$ 962,863 |
| Parts | | \$ 21,831 | \$ 22,377 | \$ 22,936 | \$ 23,510 | \$ 24,097 | \$ 24,700 | \$ 25,317 | \$ 25,950 | \$ 26,599 | \$ 27,264 | \$ 244,581 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 394,906 | \$ 404,779 | \$ 414,698 | \$ 425,271 | \$ 435,903 | \$ 446,800 | \$ 457,970 | \$ 469,419 | \$ 481,155 | \$ 493,184 | \$ 4,424,285 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ 293 | \$ 300 | \$ 308 | \$ 316 | \$ 323 | \$ 332 | \$ 340 | \$ 348 | \$ 357 | \$ 366 | \$ 3,283 |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | | \$ 967 | \$ 991 | \$ 1,016 | \$ 1,041 | \$ 1,067 | \$ 1,094 | \$ 1,121 | \$ 1,149 | \$ 1,178 | \$ 1,207 | \$ 10,832 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 5,820 | \$ 2,832 | \$ 2,903 | \$ 2,975 | \$ 3,050 | \$ 3,126 | \$ 3,204 | \$ 3,284 | \$ 3,366 | \$ 3,451 | \$ 34,011 |
| Crew Expenses | | \$ 35,364 | \$ 39,069 | \$ 40,045 | \$ 41,046 | \$ 42,073 | \$ 43,124 | \$ 44,202 | \$ 45,308 | \$ 46,440 | \$ 47,601 | \$ 424,272 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | ##### | \$ 1,031,031 | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 267,668 | \$ 274,360 | \$ 281,219 | \$ 288,249 | \$ 295,455 | \$ 302,842 | \$ 310,413 | \$ 318,173 | \$ 326,127 | \$ 334,281 | \$ 2,998,787 |
| Maintenance Technicians | | \$ 100,508 | \$ 103,021 | \$ 105,596 | \$ 108,236 | \$ 110,942 | \$ 113,716 | \$ 116,558 | \$ 119,472 | \$ 122,459 | \$ 125,521 | \$ 1,126,029 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 99,728 | \$ 93,553 | \$ 95,891 | \$ 98,289 | \$ 100,746 | \$ 103,265 | \$ 105,846 | \$ 108,492 | \$ 111,205 | \$ 113,985 | \$ 1,030,999 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,496 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 28,117 | \$ 28,820 | \$ 29,540 | \$ 30,279 | \$ 31,036 | \$ 31,812 | \$ 32,607 | \$ 33,422 | \$ 34,258 | \$ 35,114 | \$ 315,005 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 66,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 505,653 | \$ 509,626 | \$ 522,366 | \$ 535,426 | \$ 548,811 | \$ 562,531 | \$ 576,595 | \$ 591,010 | \$ 605,785 | \$ 620,929 | \$ 5,578,732 |

| | | | | | | | | | | | | |
|-------------------------------|------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 647,135 | \$ 663,313 | \$ 679,896 | \$ 696,894 | \$ 714,316 | \$ 732,174 | \$ 750,478 | \$ 769,240 | \$ 788,471 | \$ 808,183 | \$ 828,375 | \$ 7,250,100 |
| Administrative Overhead (G&A) | \$ 181,489 | \$ 186,026 | \$ 190,677 | \$ 195,444 | \$ 200,330 | \$ 205,338 | \$ 210,472 | \$ 215,733 | \$ 221,127 | \$ 226,655 | \$ 232,277 | \$ 2,033,291 |
| Total Annual Cost | ##### | \$ 2,389,996 | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### | ##### |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

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DOE AL N166DE

Type of Operation: **Government**

Make/Model: **Used** - Acquisition: **Purchase**

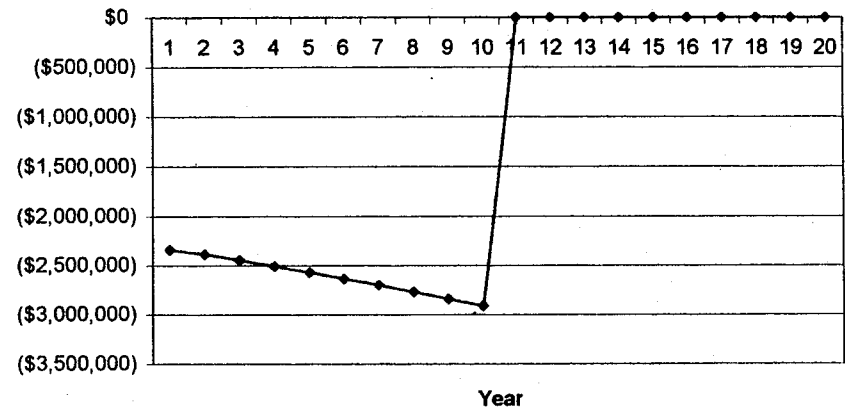
Program Length: **10 Years** Date: **7-Jun-00**

| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|---------------------|
| Capital Gains Tax: | 0 % | | |
| Corp Tax Rate: | 0 % | Method: | Straightline |
| Desired ROI: | 0 % | Term: | 10 |
| Interest Rate: | 0 % | Residual: | 95 |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 0 % | + | \$ 647,135.00 /Year |
| Admin Overhead: | 0 % | + | \$ 181,489.00 /Year |
| Revenue: | \$ - | /Ft Hr. + | \$ - /Mo |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 382.15 | Hrs/Yr. | |
| Acquisition Cost: | \$ 5,900,000 | Residual Value: | \$ - |

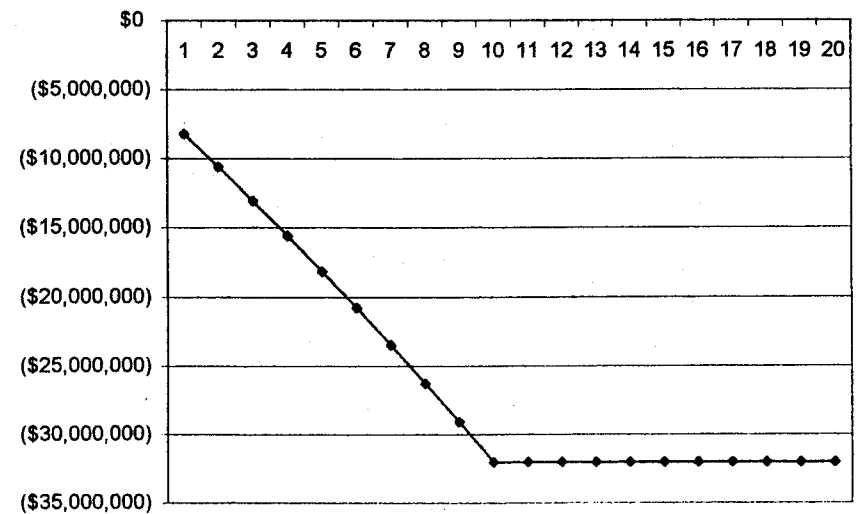
| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|--------------------|-----------------|-------------------------|---------------------------|------------------------|
| Acquisition Cost 0 | \$ - | \$ (5,900,000) | \$ - | \$ (5,900,000) |
| 1 | \$ - | \$ (2,342,017) | \$ - | \$ (2,342,017) |
| 2 | \$ - | \$ (2,389,996) | \$ - | \$ (2,389,996) |
| 3 | \$ - | \$ (2,449,746) | \$ - | \$ (2,449,746) |
| 4 | \$ - | \$ (2,510,990) | \$ - | \$ (2,510,990) |
| 5 | \$ - | \$ (2,573,764) | \$ - | \$ (2,573,764) |
| 6 | \$ - | \$ (2,638,108) | \$ - | \$ (2,638,108) |
| 7 | \$ - | \$ (2,704,061) | \$ - | \$ (2,704,061) |
| 8 | \$ - | \$ (2,771,663) | \$ - | \$ (2,771,663) |
| 9 | \$ - | \$ (2,840,954) | \$ - | \$ (2,840,954) |
| 10 | \$ - | \$ (2,911,978) | \$ - | \$ (2,911,978) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (32,033,277) | \$ - | \$ (32,033,277) |
| Investment: | \$ 5,900,000 | | | |
| Present Value: | \$ (26,133,277) | Net Present Value: | \$ (32,033,277) | |

After Tax Cash Flow From Operations

(Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

7-Jun-00

DOE AL N168DE

Government

Make/Model:

Used -

Acquisition: Purchase

382.15 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Ft Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (5,900,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (5,900,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | | \$ (1,007,740) | \$ (1,031,031) | \$ (1,056,806) | \$ (1,083,227) | \$ (1,110,307) | \$ (1,138,065) | \$ (1,166,517) | \$ (1,195,679) | \$ (1,225,571) | \$ (1,256,211) |
| Fixed Cost | | \$ (505,653) | \$ (509,626) | \$ (522,366) | \$ (535,426) | \$ (548,811) | \$ (562,531) | \$ (576,595) | \$ (591,010) | \$ (605,785) | \$ (620,929) |
| Operations Overhead | | \$ (647,135) | \$ (663,313) | \$ (679,896) | \$ (696,894) | \$ (714,316) | \$ (732,174) | \$ (750,478) | \$ (769,240) | \$ (788,471) | \$ (808,183) |
| Admin Overhead (G&A) | | \$ (181,489) | \$ (186,026) | \$ (190,677) | \$ (195,444) | \$ (200,330) | \$ (205,338) | \$ (210,472) | \$ (215,733) | \$ (221,127) | \$ (226,655) |
| Depreciation | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ (2,342,017) | \$ (2,389,996) | \$ (2,449,746) | \$ (2,510,990) | \$ (2,573,764) | \$ (2,638,108) | \$ (2,704,061) | \$ (2,771,663) | \$ (2,840,954) | \$ (2,911,978) |

| | | | | | | | | | | | |
|--------------------|--|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (5,900,000) | \$ (2,342,017) | \$ (2,389,996) | \$ (2,449,746) | \$ (2,510,990) | \$ (2,573,764) | \$ (2,638,108) | \$ (2,704,061) | \$ (2,771,663) | \$ (2,840,954) | \$ (2,911,978) |
| Operating Cash Flow: | | \$ (2,342,017) | \$ (2,389,996) | \$ (2,449,746) | \$ (2,510,990) | \$ (2,573,764) | \$ (2,638,108) | \$ (2,704,061) | \$ (2,771,663) | \$ (2,840,954) | \$ (2,911,978) |
| Present Value of Total Cash Flow | | \$ (2,342,017) | \$ (2,389,996) | \$ (2,449,746) | \$ (2,510,990) | \$ (2,573,764) | \$ (2,638,108) | \$ (2,704,061) | \$ (2,771,663) | \$ (2,840,954) | \$ (2,911,978) |
| Net Present Value: | \$ (5,900,000) | \$ (8,242,017) | \$ (10,632,013) | \$ (13,081,759) | \$ (15,592,748) | \$ (18,166,513) | \$ (20,804,621) | \$ (23,508,682) | \$ (26,280,345) | \$ (29,121,299) | \$ (32,033,277) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used -

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|-----------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Flt Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|---------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,900,000) | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,900,000) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|-----------------|------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (11,271,154) | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,578,732) | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (7,250,100) | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (2,033,291) | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (26,133,277) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|--------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (32,033,277) | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (32,033,277) | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (26,133,277) | Operating Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (26,133,277) | Present Value: |
| \$ (32,033,277) | \$ (32,033,277) | \$ (32,033,277) | \$ (32,033,277) | \$ (32,033,277) | \$ (32,033,277) | \$ (32,033,277) | \$ (32,033,277) | \$ (32,033,277) | \$ (32,033,277) | \$ (32,033,277) | Net Present Value |

Life Cycle Cost 2000

Maintenance Cost Data

--

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|------|-----|
| Airframe: | 0.00 | MH/FH | Airframe: | \$ - | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|-------|--------------------|------------------|-----------|--------|-------|
| | Name: | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
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| | 10 | | | | | |
| | 11 | | | | | |
| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|-------|---------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
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| | 17 | | | | | |
| | 18 | | | | | |
| | 19 | | | | | |
| | 20 | | | | | |

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|--|------------|---------------|-----------|--|--|
|--------------------|--|------------|---------------|-----------|--|--|

Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|-------|--------------|----------|-------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
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| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | Cycles | Years |
|-----------------------------------|-------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | | |
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
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| | 10 | | | | | |

Maintenance Cost Data

--

Database Date: Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|---------------|----------|
| For: | DOE AL N166DE | 7-Jun-00 |
| Aircraft: | -- | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: DC-9 Present Fleet - Costs Normalized

Life Cycle Cost 2000

Input Data

Notes: DC-9 Present Fleet - Costs Normalized

| | | | |
|--------------------------------------|---------------|--|--------------|
| Customer: | DOE AL N166DE | Type of Operation: | Government |
| Date of Analysis: | 7-Jun-00 | Type of Analysis: | Total Cost |
| Aircraft: | -- | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 43967 | If Straightline: | |
| Total Years | 33 | Term (Years) | 10 |
| Total Cycles | 58243 | Residual Value (%) | 95% |
| Base of Operation: | -- | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 382.15 | | |
| Cycles per Flt Hr (Airframe): | 1.32 | | |
| Cycles per Flt Hr (Engine): | 1.32 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 5,900,000 | | |
| State Sales Tax: | \$ - | Insured Value | \$ - |
| Spares + Tooling: | \$ - | Resale Value | 95.0% |
| Initial Training: | \$ - | | |
| Trade-in/Other: | \$ - | | |
| Total | \$ 5,900,000 | Brokerage Fee: | \$ - |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.27 | Fuel Consumption (Gallon/Flt Hr) | 950 |
| Maintenance Labor Rate (\$/MH) | \$ 65.00 | Other | \$ 2.53 |
| | | Hangar Cost (\$/Year): | \$ - |
| | | Nav & Weather Service (\$/Yr.): | \$ 5,942 |
| Fixed Cost Input | | | |
| Salaries/Aircraft (\$/Year) | | | \$ - |
| Pilots/Flight Crew: | \$ 267,668 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 100,508 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ - | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 25% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 28,117 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ - | Insurance: Liability (\$/Year): | \$ 3,690 |
| Administrative Overhead (%): | \$ - | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ 647,135 | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ 181,489 | Computer Maint Mgmt System (\$/Yr): | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | NG Gear Strut Actuator | \$ 28,600 | | | 20000 | |
| 2 | MG Gear Strut Actuator | \$ 63,800 | | | 9000 | |
| 3 | Control Syst Cables | \$ 6,600 | | 2400 | | |
| 4 | Spoiler Ass'y | \$ 11,000 | | 3600 | | |
| 5 | Generator Bearing (2) | \$ 4,200 | | 1000 | | |
| 6 | Windshield (2) | \$ 77,000 | 0.14 | | | |
| 7 | 20000 Hr Items | \$ 330,000 | | 20000 | | |
| 8 | | | | | | |
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| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|-----------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 MPI | \$ 62,188 | | 1400 | | |
| | 2 CZI | \$ 194,583 | | 4200 | | |
| | 3 S/B Allowance | \$ 60,000 | | 4200 | | |
| 4 | | | | | | |
| 5 | | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Learjet 35/36

Database Date:

Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

8-Jun-00

(Page 2)

DOE AL N135DE

Government

Make/Model: Used Learjet 35/36 Acquisition: Purchase 325 Hours/Year

Aircraft Value: \$ Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | \$ | 90,188 | \$ 92,442 | \$ 94,753 | \$ 97,122 | \$ 99,550 | \$ 102,039 | \$ 104,590 | \$ 107,205 | \$ 109,885 | \$ 112,632 | \$ 1,010,405 |
| Fuel Additives | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | \$ | 60,055 | \$ 61,556 | \$ 63,095 | \$ 64,673 | \$ 66,289 | \$ 67,947 | \$ 69,645 | \$ 71,387 | \$ 73,171 | \$ 75,000 | \$ 672,819 |
| Parts | \$ | 45,665 | \$ 47,587 | \$ 49,176 | \$ 51,225 | \$ 53,346 | \$ 55,971 | \$ 58,695 | \$ 61,519 | \$ 64,912 | \$ 68,435 | \$ 556,531 |
| Inspections | \$ | - | \$ - | \$ 224,781 | \$ 2,908 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 227,689 |
| Engine Restoral | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | \$ | 69,804 | \$ 71,549 | \$ 73,337 | \$ 75,171 | \$ 77,050 | \$ 78,976 | \$ 80,951 | \$ 82,974 | \$ 85,049 | \$ 87,176 | \$ 782,035 |
| Avionics Guaranteed Mx Plan | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | \$ | 2,475 | \$ - | \$ 2,600 | \$ 5,600 | \$ 2,732 | \$ - | \$ 2,870 | \$ - | \$ 3,016 | \$ 9,585 | \$ 28,878 |
| Life Limited Components (All) | \$ | 7,704 | \$ 3,591 | \$ 15,238 | \$ 8,296 | \$ 3,867 | \$ 3,964 | \$ 16,588 | \$ 4,165 | \$ 4,269 | \$ 9,621 | \$ 77,301 |
| Other Services | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | \$ | 445 | \$ 456 | \$ 468 | \$ 479 | \$ 491 | \$ 504 | \$ 516 | \$ 529 | \$ 542 | \$ 556 | \$ 4,988 |
| Fixed Cost | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | \$ | 2,350 | \$ 2,408 | \$ 2,469 | \$ 2,530 | \$ 2,594 | \$ 2,659 | \$ 2,725 | \$ 2,793 | \$ 2,863 | \$ 2,935 | \$ 26,325 |
| Crew Expenses | \$ | 32,416 | \$ 33,226 | \$ 34,057 | \$ 34,908 | \$ 35,781 | \$ 36,675 | \$ 37,592 | \$ 38,532 | \$ 39,495 | \$ 40,483 | \$ 363,163 |
| Small Supplies | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | \$ | 311,100 | \$ 312,816 | \$ 559,974 | \$ 342,912 | \$ 341,701 | \$ 348,735 | \$ 374,172 | \$ 369,103 | \$ 383,201 | \$ 406,421 | \$ 3,760,135 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | \$ | 124,394 | \$ 127,504 | \$ 130,691 | \$ 133,959 | \$ 137,308 | \$ 140,740 | \$ 144,259 | \$ 147,865 | \$ 151,562 | \$ 155,351 | \$ 1,393,633 |
| Pilot/Flight Crew | \$ | 41,227 | \$ 42,258 | \$ 43,314 | \$ 44,397 | \$ 45,507 | \$ 46,645 | \$ 47,811 | \$ 49,006 | \$ 50,231 | \$ 51,487 | \$ 461,882 |
| Maintenance Technicians | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | \$ | 49,686 | \$ 50,928 | \$ 52,202 | \$ 53,507 | \$ 54,844 | \$ 56,215 | \$ 57,621 | \$ 59,061 | \$ 60,538 | \$ 62,051 | \$ 556,655 |
| Benefits | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hangar | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hull | \$ | 1,230 | \$ 1,261 | \$ 1,292 | \$ 1,325 | \$ 1,358 | \$ 1,392 | \$ 1,426 | \$ 1,462 | \$ 1,499 | \$ 1,536 | \$ 13,780 |
| Liability | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Miscellaneous | \$ | 95,406 | \$ 97,791 | \$ 100,236 | \$ 102,742 | \$ 105,310 | \$ 107,943 | \$ 110,642 | \$ 113,408 | \$ 116,243 | \$ 119,149 | \$ 1,068,870 |
| Training Pilot/Maint | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Management Fee | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | \$ | 5,563 | \$ 5,702 | \$ 5,845 | \$ 5,991 | \$ 6,141 | \$ 6,294 | \$ 6,451 | \$ 6,613 | \$ 6,778 | \$ 6,947 | \$ 62,324 |
| Comp Maint Service | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | \$ | 317,506 | \$ 325,444 | \$ 333,580 | \$ 341,920 | \$ 350,468 | \$ 359,229 | \$ 368,210 | \$ 377,415 | \$ 386,851 | \$ 396,522 | \$ 3,557,144 |

| | | | | | | | | | | | | |
|-------------------------------|----|----------------|-------------------|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ | 83,752 | \$ 85,846 | \$ 87,992 | \$ 90,192 | \$ 92,447 | \$ 94,758 | \$ 97,127 | \$ 99,555 | \$ 102,044 | \$ 104,595 | \$ 938,306 |
| Administrative Overhead (G&A) | \$ | 43,094 | \$ 44,171 | \$ 45,276 | \$ 46,408 | \$ 47,568 | \$ 48,757 | \$ 49,976 | \$ 51,225 | \$ 52,506 | \$ 53,819 | \$ 482,799 |
| Total Annual Cost | \$ | 755,452 | \$ 768,277 | ##### | \$ 821,431 | \$ 832,182 | \$ 851,478 | \$ 889,484 | \$ 897,299 | \$ 924,601 | \$ 961,357 | \$ 8,728,383 |

Life Cycle Cost 2000

Maintenance Cost Data

Learjet 35/36

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 2.30 | MH/FH | Airframe: | \$ 117.09 | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|-----------------|--------------------|------------------|-----------|--------|-------|
| | Name: | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 3000 Cycle | \$ 2,700 | | | 3000 | |
| | 2 6000 Cycle | \$ 17,750 | | | 6000 | 12 |
| | 3 12 Yr/7200 Hr | \$ 102,000 | | 7200 | | 12 |
| | 4 12000 Hour | \$ 94,200 | | 12000 | | 12 |
| | 5 | | | | | |
| | 6 | | | | | |
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| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |
| | 11 | | | | | |
| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|---------------|---------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Stab Actuator | \$ 2,475 | | 600 | | |
| 2 | Generator (2) | \$ 5,200 | | 2000 | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
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Cost Of Ownership Analysis

| | | |
|--------------------|---------------|----------|
| For: | DOE AL N135DE | 8-Jun-00 |
| Aircraft: | Learjet 35/36 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: Lear 35 Future Fleet GOGO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE AL N135DE

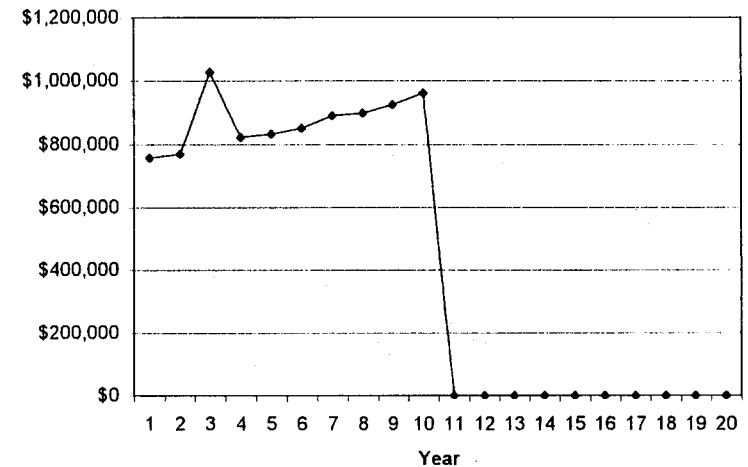
Type of Operation: Government

Make/Model: Used Learjet 35/36 Date: 8-Jun-00

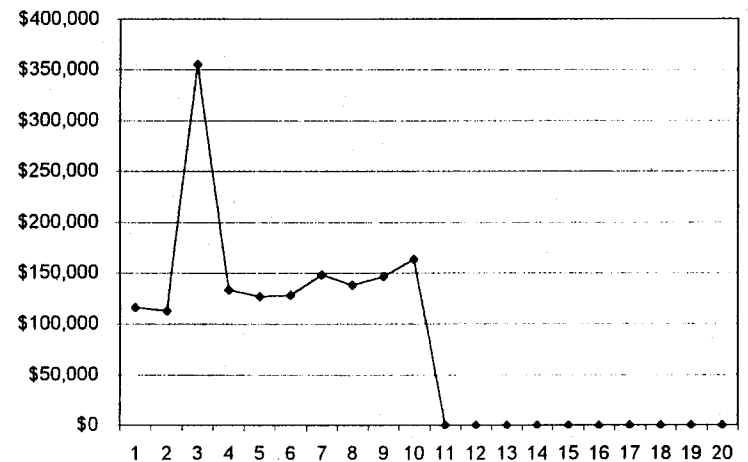
Program Length: 10 Years Acquisition: Purchase

| | | | | | |
|-------------------------------|----------|---------------|-------------------------------|-----------|--------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 325 | | Purchase Price | \$ | 4,325,000 |
| Cycles/Hour | 0.8 | | State Sales Tax: | \$ | - |
| Residual Value | 110 | % | Spares + Tooling: | \$ | - |
| MX Labor Rate | \$ 61.76 | /MH | Initial Training: | \$ | - |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ | - |
| | | | Total | \$ | 4,325,000 |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 2767 | | Finance Cost/Year | \$ | - |
| Total Years | 9 | | Final Payment | \$ | - |
| Total Cycles | 2212 | | Lease Cost/Year | \$ | - |
| | | | | | |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ | - |
| | | | | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 3,750,135 | \$ 375,013 | \$ 1,154 | \$ 2.70 |
| | | | | | |
| Total Fixed Cost | | \$ 3,557,144 | \$ 355,714 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 1,421,104 | \$ 142,110 | | |
| | | | | | |
| Total Cost: | | \$ 8,728,383 | \$ 872,838 | \$ 2,686 | \$ 6.27 |
| Annual Budget: | Year 1 | \$ 755,452 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 768,277 | Year 12 | \$ - | |
| | Year 3 | \$ 1,026,822 | Year 13 | \$ - | |
| | Year 4 | \$ 821,431 | Year 14 | \$ - | |
| | Year 5 | \$ 832,182 | Year 15 | \$ - | |
| | Year 6 | \$ 851,478 | Year 16 | \$ - | |
| | Year 7 | \$ 889,484 | Year 17 | \$ - | |
| | Year 8 | \$ 897,299 | Year 18 | \$ - | |
| | Year 9 | \$ 924,601 | Year 19 | \$ - | |
| | Year 10 | \$ 961,357 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

Input Data

Notes: Lear 35 Future Fleet GOCO

| | | | |
|--------------------------------------|---------------|---|--------------|
| Customer: | DOE AL N135DE | Type of Operation: | Government |
| Date of Analysis: | 20-Jul-00 | Type of Analysis: | Total Cost |
| Aircraft: | Learjet 35/36 | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 2767 | If Straightline; | |
| Total Years | 9 | Term (Years) | 10 |
| Total Cycles | 2212 | Residual Value (%) | 110% |
| Base of Operation: | - | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 325 | | |
| Cycles per Flt Hr (Airframe): | 0.8 | | |
| Cycles per Flt Hr (Engine): | 0.8 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 4,325,000 | Insured Value | \$ - |
| State Sales Tax: | \$ - | Resale Value | 110.0% |
| Spares + Tooling: | \$ - | Brokerage Fee: | \$ - |
| Initial Training: | \$ - | | |
| Trade-in/Other: | \$ - | | |
| Total | \$ 4,325,000 | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.50 | Fuel Consumption (Gallon/Flt Hr) | 185 |
| Maintenance Labor Rate (\$/Mh) | \$ 61.76 | Other | \$ 1.37 |
| | | Hangar Cost (\$/Year): | \$ - |
| Fixed Cost Input | | Nav & Weather Service (\$/Yr.): | \$ 5,563 |
| Salaries/Aircraft (\$/Year) | | | \$ - |
| Pilots/Flight Crew: | \$ 124,394 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 41,227 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ - | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 30% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 95,406 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ - | Insurance: Liability (\$/Year): | \$ 1,230 |
| Administrative Overhead (%): | \$ - | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ 83,752 | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ 64,641 | Computer Maint Mgmt System (\$/Yr): | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

Maintenance Cost Data

Learjet 35/36

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|---------------|
| Airframe: | 2.30 | Airframe: | \$ 117.09 /FH |
| Engine: | 0.00 | Engine: | \$ - |
| Avionics: | 0.00 | Avionics: | \$ - |

Guaranteed Maintenance Plans

| | | | | | |
|---------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |
|---------|-----|-----------|----|------|----|

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | Cycles | Years |
|-------------|-----------------|--------------------|------------------|-----------|--------|-------|
| Name: | | Total (Current \$) | Start (Hrs) | Hours | | |
| Recurring | 1 3000 Cycle | \$ 2,700 | | | 3000 | |
| | 2 6000 Cycle | \$ 17,750 | | | 6000 | 12 |
| | 3 12 Yr/7200 Hr | \$ 102,000 | | 7200 | | 12 |
| | 4 12000 Hour | \$ 94,200 | | 12000 | | 12 |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |
| | 11 | | | | | |
| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | Cycles | Years |
|--------------------|---------------|---------------|---------------|-----------|--------|-------|
| Name: | | (Current \$) | /1000 HR | Hours | | |
| 1 | Stab Actuator | \$ 2,475 | | 600 | | |
| 2 | Generator (2) | \$ 5,200 | | 2000 | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |

| Life Limited Parts | Parts Cost | Prem Removals | Frequency |
|--------------------|------------|---------------|-----------|
|--------------------|------------|---------------|-----------|

Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|------------------------|--------------|----------|-------|--------|-------|
| 1 | NG Gear Strut Actuator | \$ 28,600 | | | 20000 | |
| 2 | MG Gear Strut Actuator | \$ 63,800 | | | 9000 | |
| 3 | Control Syst Cables | \$ 6,600 | | 2400 | | |
| 4 | Spoiler Ass'y | \$ 11,000 | | 3600 | | |
| 5 | Generator Bearing (2) | \$ 4,200 | | 1000 | | |
| 6 | Windshield (2) | \$ 77,000 | 0.14 | | | |
| 7 | 20000 Hr Items | \$ 330,000 | | 20000 | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|-----------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 MPI | \$ 62,188 | | 1400 | | |
| | 2 CZI | \$ 194,583 | | 4200 | | |
| | 3 S/B Allowance | \$ 60,000 | | 4200 | | |
| 4 | | | | | | |
| 5 | | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Learjet 35/36

Database Date: Jan-00

Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

20-Jul-00

DOE AL N135DE

Government

Make/Model:

Used

Learjet 35/36

Acquisition:

Purchase

325 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Flt Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (4,325,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (4,325,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | \$ (311,100) | \$ (312,816) | \$ (559,974) | \$ (342,912) | \$ (341,701) | \$ (348,735) | \$ (374,172) | \$ (369,103) | \$ (383,201) | \$ (406,421) | |
| Fixed Cost | \$ (317,506) | \$ (325,444) | \$ (333,580) | \$ (341,920) | \$ (350,468) | \$ (359,229) | \$ (368,210) | \$ (377,415) | \$ (386,851) | \$ (396,522) | |
| Operations Overhead | \$ (83,752) | \$ (85,846) | \$ (87,992) | \$ (90,192) | \$ (92,447) | \$ (94,758) | \$ (97,127) | \$ (99,555) | \$ (102,044) | \$ (104,595) | |
| Admin Overhead (G&A) | \$ (64,641) | \$ (66,257) | \$ (67,913) | \$ (69,611) | \$ (71,352) | \$ (73,135) | \$ (74,964) | \$ (76,838) | \$ (78,759) | \$ (80,728) | |
| Depreciation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Interest | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Lease Payments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Total | | \$ (776,999) | \$ (790,363) | \$ (1,049,460) | \$ (844,635) | \$ (855,966) | \$ (875,857) | \$ (914,472) | \$ (922,911) | \$ (950,854) | \$ (988,266) |

| | | | | | | | | | | | |
|--------------------|------|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (4,325,000) | \$ (776,999) | \$ (790,363) | \$ (1,049,460) | \$ (844,635) | \$ (855,966) | \$ (875,857) | \$ (914,472) | \$ (922,911) | \$ (950,854) | \$ (988,266) |
| Operating Cash Flow: | | \$ (776,999) | \$ (790,363) | \$ (1,049,460) | \$ (844,635) | \$ (855,966) | \$ (875,857) | \$ (914,472) | \$ (922,911) | \$ (950,854) | \$ (988,266) |
| Present Value of Total Cash Flow | \$ (776,999) | \$ (790,363) | \$ (1,049,460) | \$ (844,635) | \$ (855,966) | \$ (875,857) | \$ (914,472) | \$ (922,911) | \$ (950,854) | \$ (988,266) | |
| Net Present Value: | \$ (4,325,000) | \$ (5,101,999) | \$ (5,892,362) | \$ (6,941,822) | \$ (7,786,456) | \$ (8,642,423) | \$ (9,518,280) | \$ (10,432,752) | \$ (11,355,663) | \$ (12,306,517) | \$ (13,294,783) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used Learjet 35/36

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|----------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Flt Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|--------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (4,325,000) | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (4,325,000) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|-----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (3,750,135) | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (3,557,144) | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (938,306) | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (724,198) | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (8,969,783) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|-------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (13,294,783) | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (8,969,783) | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (8,969,783) | Operating Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (8,969,783) | Present Value: |
| \$ (13,294,783) | \$ (13,294,783) | \$ (13,294,783) | \$ (13,294,783) | \$ (13,294,783) | \$ (13,294,783) | \$ (13,294,783) | \$ (13,294,783) | \$ (13,294,783) | \$ (13,294,783) | \$ (13,294,783) | Net Present Value |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N135DE

Type of Operation: **Government**

Make/Model: **Used Learjet 35/36** Acquisition: **Purchase**

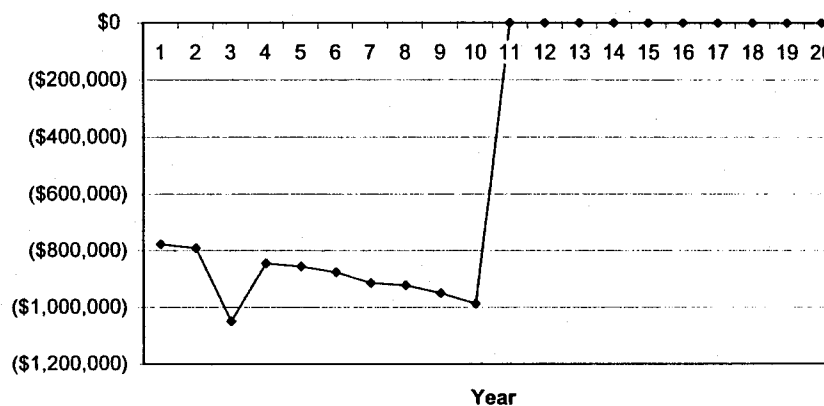
Program Length: **10 Years** Date: **20-Jul-00**

| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|--------------------|
| Capital Gains Tax: | 0 % | | |
| Corp Tax Rate: | 0 % | Method: | Straightline |
| Desired ROI: | 0 % | Term: | 10 |
| Interest Rate: | 0 % | Residual: | 110 |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 0 % | + | \$ 83,752.00 /Year |
| Admin Overhead: | 0 % | + | \$ 64,641.00 /Year |
| Revenue: | \$ - | /Flt Hr. + | \$ - /Mo |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 325 | Hrs/Yr. | |
| Acquisition Cost: | \$ 4,325,000 | Residual Value: | \$ - |

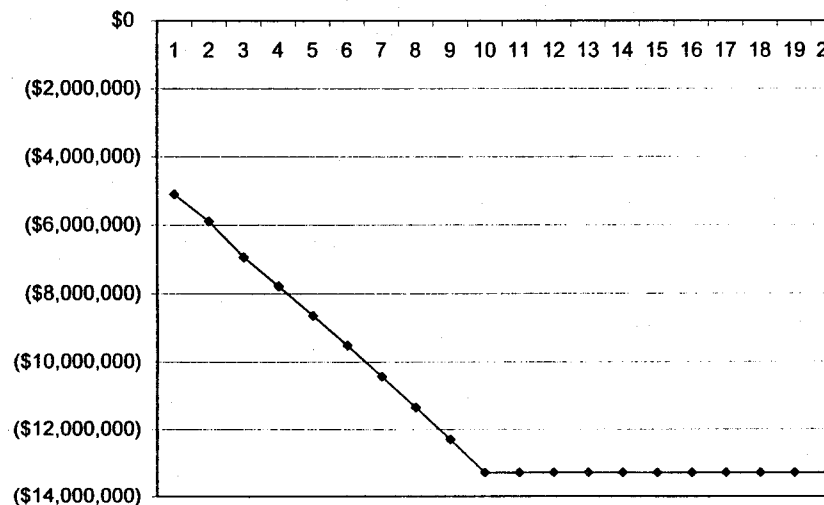
| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|--------------------|----------------|-------------------------|---------------------------|---------------------|
| Acquisition Cost 0 | \$ - | \$ (4,325,000) | \$ - | \$ (4,325,000) |
| 1 | \$ - | \$ (776,999) | \$ - | \$ (776,999) |
| 2 | \$ - | \$ (790,363) | \$ - | \$ (790,363) |
| 3 | \$ - | \$ (1,049,460) | \$ - | \$ (1,049,460) |
| 4 | \$ - | \$ (844,635) | \$ - | \$ (844,635) |
| 5 | \$ - | \$ (855,966) | \$ - | \$ (855,966) |
| 6 | \$ - | \$ (875,857) | \$ - | \$ (875,857) |
| 7 | \$ - | \$ (914,472) | \$ - | \$ (914,472) |
| 8 | \$ - | \$ (922,911) | \$ - | \$ (922,911) |
| 9 | \$ - | \$ (950,854) | \$ - | \$ (950,854) |
| 10 | \$ - | \$ (988,266) | \$ - | \$ (988,266) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (13,294,783) | \$ - | \$ (13,294,783) |
| Investment: | \$ 4,325,000 | | | |
| Present Value: | \$ (8,969,783) | Net Present Value: | | \$ (13,294,783) |

After Tax Cash Flow From Operations

(Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

20-Jul-00

(Page 2)

DOE AL N135DE

Government

Make/Model: Used Learjet 35/36 Acquisition: Purchase 325 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|---------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | \$ | 90,188 | \$ 92,442 | \$ 94,753 | \$ 97,122 | \$ 99,550 | \$ 102,039 | \$ 104,590 | \$ 107,205 | \$ 109,885 | \$ 112,632 | \$ 1,010,405 |
| Fuel Additives | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | \$ | 60,055 | \$ 61,556 | \$ 63,095 | \$ 64,673 | \$ 66,289 | \$ 67,947 | \$ 69,645 | \$ 71,387 | \$ 73,171 | \$ 75,000 | \$ 672,819 |
| Parts | \$ | 45,665 | \$ 47,587 | \$ 49,176 | \$ 51,225 | \$ 53,346 | \$ 55,971 | \$ 58,695 | \$ 61,519 | \$ 64,912 | \$ 68,435 | \$ 556,531 |
| Inspections | \$ | - | \$ - | \$ 224,781 | \$ 2,908 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 227,689 |
| Engine Restoral | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | \$ | 69,804 | \$ 71,549 | \$ 73,337 | \$ 75,171 | \$ 77,050 | \$ 78,976 | \$ 80,951 | \$ 82,974 | \$ 85,049 | \$ 87,175 | \$ 782,035 |
| Avionics Guaranteed Mx Plan | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | \$ | 2,475 | \$ - | \$ 2,600 | \$ 5,600 | \$ 2,732 | \$ - | \$ 2,870 | \$ - | \$ 3,016 | \$ 9,585 | \$ 28,878 |
| Life Limited Components (All) | \$ | 7,704 | \$ 3,591 | \$ 15,238 | \$ 8,296 | \$ 3,867 | \$ 3,964 | \$ 16,588 | \$ 4,165 | \$ 4,269 | \$ 9,621 | \$ 77,301 |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | \$ | 445 | \$ 456 | \$ 468 | \$ 479 | \$ 491 | \$ 504 | \$ 516 | \$ 529 | \$ 542 | \$ 556 | \$ 4,988 |
| Fixed Cost | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | \$ | 2,350 | \$ 2,408 | \$ 2,469 | \$ 2,530 | \$ 2,594 | \$ 2,659 | \$ 2,725 | \$ 2,793 | \$ 2,863 | \$ 2,935 | \$ 26,325 |
| Crew Expenses | \$ | 32,416 | \$ 33,226 | \$ 34,057 | \$ 34,908 | \$ 35,781 | \$ 36,675 | \$ 37,592 | \$ 38,532 | \$ 39,495 | \$ 40,483 | \$ 363,163 |
| Small Supplies | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | \$ | 311,100 | \$ 312,816 | \$ 559,974 | \$ 342,912 | \$ 341,701 | \$ 348,735 | \$ 374,172 | \$ 369,103 | \$ 383,201 | \$ 406,421 | \$ 3,750,135 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|---------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | \$ | 124,394 | \$ 127,504 | \$ 130,691 | \$ 133,959 | \$ 137,308 | \$ 140,740 | \$ 144,259 | \$ 147,865 | \$ 151,562 | \$ 155,351 | \$ 1,393,633 |
| Maintenance Technicians | \$ | 41,227 | \$ 42,258 | \$ 43,314 | \$ 44,397 | \$ 45,507 | \$ 46,645 | \$ 47,811 | \$ 49,006 | \$ 50,231 | \$ 51,487 | \$ 461,882 |
| Other | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | \$ | 49,686 | \$ 50,928 | \$ 52,202 | \$ 53,507 | \$ 54,844 | \$ 56,215 | \$ 57,621 | \$ 59,061 | \$ 60,538 | \$ 62,051 | \$ 556,655 |
| Hangar | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | \$ | 1,230 | \$ 1,261 | \$ 1,292 | \$ 1,325 | \$ 1,358 | \$ 1,392 | \$ 1,426 | \$ 1,462 | \$ 1,499 | \$ 1,536 | \$ 13,780 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | \$ | 95,406 | \$ 97,791 | \$ 100,236 | \$ 102,742 | \$ 105,310 | \$ 107,943 | \$ 110,642 | \$ 113,408 | \$ 116,243 | \$ 119,149 | \$ 1,068,870 |
| Management Fee | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | \$ | 5,563 | \$ 5,702 | \$ 5,845 | \$ 5,991 | \$ 6,141 | \$ 6,294 | \$ 6,451 | \$ 6,613 | \$ 6,778 | \$ 6,947 | \$ 62,324 |
| Comp Maint Service | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | \$ | 317,506 | \$ 325,444 | \$ 333,580 | \$ 341,920 | \$ 350,468 | \$ 359,229 | \$ 368,210 | \$ 377,415 | \$ 386,851 | \$ 396,522 | \$ 3,557,144 |

| | | | | | | | | | | | | |
|-------------------------------|----|---------|------------|-----------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Finance/Lease Cost | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ | 83,752 | \$ 85,846 | \$ 87,992 | \$ 90,192 | \$ 92,447 | \$ 94,758 | \$ 97,127 | \$ 99,555 | \$ 102,044 | \$ 104,595 | \$ 938,306 |
| Administrative Overhead (G&A) | \$ | 64,641 | \$ 66,257 | \$ 67,913 | \$ 69,611 | \$ 71,352 | \$ 73,135 | \$ 74,964 | \$ 76,838 | \$ 78,759 | \$ 80,728 | \$ 724,198 |
| Total Annual Cost | \$ | 776,999 | \$ 790,363 | ##### | \$ 844,635 | \$ 855,966 | \$ 875,857 | \$ 914,472 | \$ 922,911 | \$ 950,854 | \$ 988,266 | \$ 8,969,783 |

Cost Of Ownership Analysis

| | | |
|--------------------|---------------|-----------|
| For: | DOE AL N135DE | 20-Jul-00 |
| Aircraft: | Learjet 35/36 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: Lear 35 Future Fleet GOCO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE AL N135DE

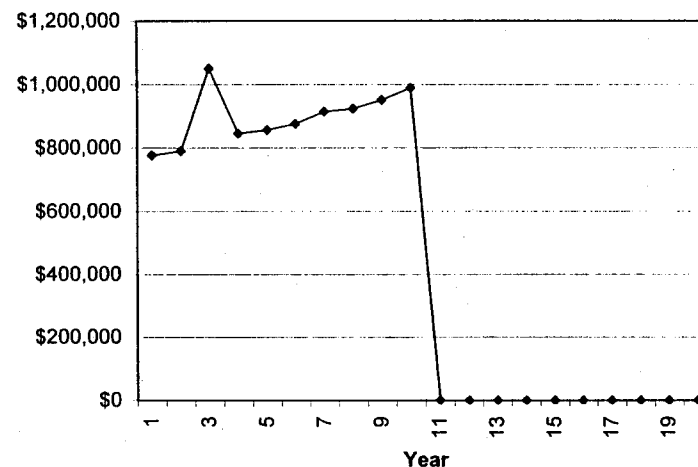
Type of Operation: **Government**

Make/Model: **Used Learjet 35/36** Date: **20-Jul-00**

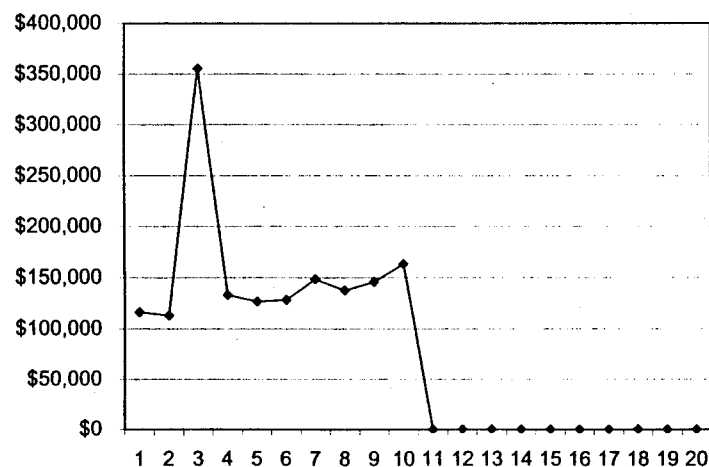
Program Length: **10 Years** Acquisition: **Purchase**

| | | | | | |
|-------------------------------|--------------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 325 | | Purchase Price | \$ 4,325,000 | |
| Cycles/Hour | 0.8 | | State Sales Tax: | \$ - | |
| Residual Value | 110 % | | Spares + Tooling | \$ - | |
| MX Labor Rate | \$ 61.76 /MH | | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.50 /GAL | | Trade-in/Other: | \$ - | |
| | | | Total | \$ 4,325,000 | |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 2767 | | Finance Cost/Year | \$ - | |
| Total Years | 9 | | Final Payment | \$ - | |
| Total Cycles | 2212 | | Lease Cost/Year | \$ - | |
| | | | | | |
| Ave Inflation: | 2.50% /Year | | Insured Value: | \$ - | |
| | | | | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| | | | | | |
| Total Acquisition + Sales Tax | | \$ - | | | |
| | | | | | |
| Total Direct Cost | | \$ 3,750,135 | \$ 375,013 | \$ 1,154 | \$ 2.70 |
| | | | | | |
| Total Fixed Cost | | \$ 3,557,144 | \$ 355,714 | | |
| | | | | | |
| Residual Value | | \$ - | | | |
| | | | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| | | | | | |
| Ops + Admin Overhead | | \$ 1,662,503 | \$ 166,250 | | |
| | | | | | |
| Total Cost: | | \$ 8,969,783 | \$ 896,978 | \$ 2,760 | \$ 6.45 |
| Annual Budget: | Year 1 | \$ 776,999 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 790,363 | Year 12 | \$ - | |
| | Year 3 | \$ 1,049,460 | Year 13 | \$ - | |
| | Year 4 | \$ 844,635 | Year 14 | \$ - | |
| | Year 5 | \$ 855,966 | Year 15 | \$ - | |
| | Year 6 | \$ 875,857 | Year 16 | \$ - | |
| | Year 7 | \$ 914,472 | Year 17 | \$ - | |
| | Year 8 | \$ 922,911 | Year 18 | \$ - | |
| | Year 9 | \$ 950,854 | Year 19 | \$ - | |
| | Year 10 | \$ 988,266 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | NG Gear Strut Actuator | \$ 28,600 | | | 20000 | |
| 2 | MG Gear Strut Actuator | \$ 63,800 | | | 9000 | |
| 3 | Control Syst Cables | \$ 6,600 | | 2400 | | |
| 4 | Spoiler Ass'y | \$ 11,000 | | 3600 | | |
| 5 | Generator Bearing (2) | \$ 4,200 | | 1000 | | |
| 6 | Windshield (2) | \$ 77,000 | 0.14 | | | |
| 7 | 20000 Hr Items | \$ 330,000 | | 20000 | | |
| 8 | | | | | | |
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| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|-----------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 MPI | \$ 62,188 | | 1400 | | |
| | 2 CZI | \$ 194,583 | | 4200 | | |
| | 3 S/B Allowance | \$ 60,000 | | 4200 | | |
| 4 | | | | | | |
| 5 | | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
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| | 10 | | | | | |

Maintenance Cost Data

Learjet 35/36

Database Date: Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00

(Page 2)

DOE AL N135DE

Government

Make/Model:

Used

Learjet 35/36

Acquisition:

Purchase

317.25 Hours/Year

Aircraft Value:

\$

Residual Value:

\$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | | \$ 74,786 | \$ 76,658 | \$ 78,576 | \$ 80,539 | \$ 82,553 | \$ 84,616 | \$ 86,732 | \$ 88,900 | \$ 91,123 | \$ 93,401 | \$ 837,882 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 73,408 | \$ 75,244 | \$ 77,125 | \$ 79,053 | \$ 81,030 | \$ 83,056 | \$ 85,132 | \$ 87,260 | \$ 89,442 | \$ 91,678 | \$ 822,429 |
| Parts | | \$ 100,603 | \$ 103,119 | \$ 105,697 | \$ 108,340 | \$ 111,048 | \$ 113,824 | \$ 116,670 | \$ 119,687 | \$ 122,576 | \$ 125,641 | \$ 1,127,105 |
| Inspections | | \$ - | \$ - | \$ 224,781 | \$ 2,908 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 227,689 |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 68,139 | \$ 69,829 | \$ 71,576 | \$ 73,365 | \$ 75,199 | \$ 77,079 | \$ 79,006 | \$ 80,981 | \$ 83,005 | \$ 85,080 | \$ 763,257 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ 8,272 | \$ - | \$ 2,600 | \$ 5,600 | \$ 2,732 | \$ - | \$ 2,870 | \$ - | \$ 3,016 | \$ - | \$ 25,159 |
| Life Limited Components (All) | | \$ 25,760 | \$ 3,505 | \$ 15,150 | \$ 8,206 | \$ 3,775 | \$ 3,869 | \$ 11,620 | \$ 9,058 | \$ 4,167 | \$ 4,271 | \$ 89,302 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 435 | \$ 445 | \$ 457 | \$ 468 | \$ 480 | \$ 492 | \$ 504 | \$ 517 | \$ 530 | \$ 543 | \$ 4,869 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 1,815 | \$ 2,351 | \$ 2,410 | \$ 2,470 | \$ 2,532 | \$ 2,595 | \$ 2,660 | \$ 2,727 | \$ 2,795 | \$ 2,865 | \$ 25,219 |
| Crew Expenses | | \$ 24,440 | \$ 32,434 | \$ 33,244 | \$ 34,076 | \$ 34,927 | \$ 35,801 | \$ 36,696 | \$ 37,613 | \$ 38,553 | \$ 39,517 | \$ 347,301 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 377,650 | \$ 363,587 | \$ 611,615 | \$ 395,023 | \$ 394,275 | \$ 401,332 | \$ 421,889 | \$ 426,641 | \$ 435,206 | \$ 442,995 | \$ 4,270,212 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 103,972 | \$ 106,571 | \$ 109,236 | \$ 111,966 | \$ 114,766 | \$ 117,635 | \$ 120,576 | \$ 123,590 | \$ 126,680 | \$ 129,847 | \$ 1,164,838 |
| Maintenance Technicians | | \$ 42,903 | \$ 43,976 | \$ 45,075 | \$ 46,202 | \$ 47,357 | \$ 48,541 | \$ 49,754 | \$ 50,998 | \$ 52,273 | \$ 53,580 | \$ 480,659 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 32,623 | \$ 37,321 | \$ 38,254 | \$ 39,210 | \$ 40,190 | \$ 41,195 | \$ 42,225 | \$ 43,280 | \$ 44,362 | \$ 45,471 | \$ 404,131 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 1,230 | \$ 1,261 | \$ 1,292 | \$ 1,325 | \$ 1,358 | \$ 1,392 | \$ 1,426 | \$ 1,462 | \$ 1,499 | \$ 1,536 | \$ 13,780 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 95,406 | \$ 97,791 | \$ 100,236 | \$ 102,742 | \$ 105,310 | \$ 107,943 | \$ 110,642 | \$ 113,408 | \$ 116,243 | \$ 119,149 | \$ 1,068,870 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,563 | \$ 5,702 | \$ 5,845 | \$ 5,991 | \$ 6,141 | \$ 6,294 | \$ 6,451 | \$ 6,613 | \$ 6,778 | \$ 6,947 | \$ 62,324 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 281,697 | \$ 292,621 | \$ 299,937 | \$ 307,435 | \$ 315,121 | \$ 322,999 | \$ 331,074 | \$ 339,351 | \$ 347,835 | \$ 356,531 | \$ 3,194,602 |

| | | | | | | | | | | | | |
|-------------------------------|------------|------------|--------------|------------|------------|------------|------------|------------|------------|------------|--------------|------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 65,935 | \$ 65,621 | \$ 91,155 | \$ 70,246 | \$ 70,940 | \$ 72,433 | \$ 75,296 | \$ 76,599 | \$ 78,304 | \$ 79,953 | \$ 746,481 | \$ 746,481 |
| Administrative Overhead (G&A) | \$ 65,935 | \$ 65,621 | \$ 91,155 | \$ 70,246 | \$ 70,940 | \$ 72,433 | \$ 75,296 | \$ 76,599 | \$ 78,304 | \$ 79,953 | \$ 746,481 | \$ 746,481 |
| Total Annual Cost | \$ 791,216 | \$ 787,450 | \$ 1,093,862 | \$ 842,951 | \$ 851,275 | \$ 869,197 | \$ 903,556 | \$ 919,191 | \$ 939,649 | \$ 959,431 | \$ 8,957,777 | |

Life Cycle Cost 2000

Maintenance Cost Data

Learjet 35/36

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 2.30 | MH/FH | Airframe: | \$ 117.09 | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|-----------------|--------------------|------------------|-----------|--------|-------|
| | Name: | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 3000 Cycle | \$ 2,700 | | | 3000 | |
| | 2 6000 Cycle | \$ 17,750 | | | 6000 | 12 |
| | 3 12 Yr/7200 Hr | \$ 102,000 | | 7200 | | 12 |
| | 4 12000 Hour | \$ 94,200 | | 12000 | | 12 |
| | 5 | | | | | |
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| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|---------------|---------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Stab Actuator | \$ 2,475 | | 600 | | |
| 2 | Generator (2) | \$ 5,200 | | 2000 | | |
| 3 | | | | | | |
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Cost Of Ownership Analysis

| | | |
|--------------------|---------------|----------|
| For: | DOE AL N135DE | 7-Jun-00 |
| Aircraft: | Learjet 35/36 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: Lear 35 Present Fleet - Should Costs
Ops. O/H at 10% and G&A at 10%

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE AL N135DE

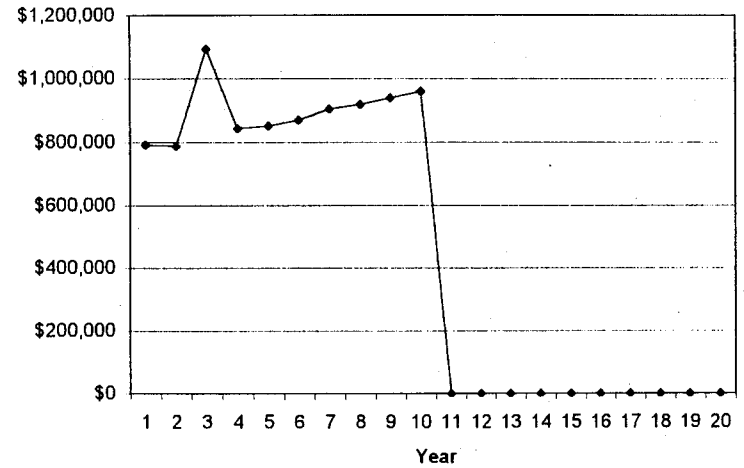
Type of Operation: Government

Make/Model: Used Learjet 35/36 Date: 7-Jun-00

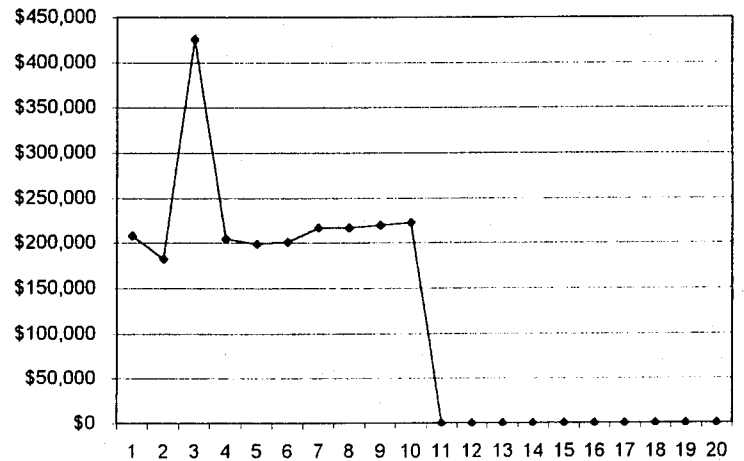
Program Length: 10 Years Acquisition: Purchase

| Program Data: | | Acquisition Cost + Sales Tax: | | | |
|-------------------------------|--------------|-------------------------------|--------------|-----------|--------------|
| Hrs/Year | 317.25 | Purchase Price | \$ 4,325,000 | | |
| Cycles/Hour | 0.8 | State Sales Tax: | \$ - | | |
| Residual Value | 110 % | Spares + Tooling: | \$ - | | |
| MX Labor Rate | \$ 65.00 /MH | Initial Training: | \$ - | | |
| Fuel Cost | \$ 1.27 /GAL | Trade-in/Other: | \$ - | | |
| | | Total | \$ 4,325,000 | | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 2767 | Finance Cost/Year | \$ - | | |
| Total Years | 9 | Final Payment | \$ - | | |
| Total Cycles | 2212 | Lease Cost/Year | \$ - | | |
| | | | | | |
| Ave Inflation: | 2.50% /Year | Insured Value: | \$ - | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 4,270,212 | \$ 427,021 | \$ 1,346 | \$ 3.14 |
| Total Fixed Cost | | \$ 3,194,602 | \$ 319,460 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,492,963 | \$ 149,296 | | |
| Total Cost: | | \$ 8,957,777 | \$ 895,778 | \$ 2,824 | \$ 6.60 |
| Annual Budget: | Year 1 | \$ 791,216 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 787,450 | Year 12 | \$ - | |
| | Year 3 | \$ 1,093,862 | Year 13 | \$ - | |
| | Year 4 | \$ 842,951 | Year 14 | \$ - | |
| | Year 5 | \$ 851,275 | Year 15 | \$ - | |
| | Year 6 | \$ 869,197 | Year 16 | \$ - | |
| | Year 7 | \$ 903,556 | Year 17 | \$ - | |
| | Year 8 | \$ 919,191 | Year 18 | \$ - | |
| | Year 9 | \$ 939,649 | Year 19 | \$ - | |
| | Year 10 | \$ 959,431 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | NG Gear Strut Actuator | \$ 28,600 | | | 20000 | |
| 2 | MG Gear Strut Actuator | \$ 63,800 | | | 9000 | |
| 3 | Control Syst Cables | \$ 6,600 | | 2400 | | |
| 4 | Spoiler Ass'y | \$ 11,000 | | 3600 | | |
| 5 | Generator Bearing (2) | \$ 4,200 | | 1000 | | |
| 6 | Windshield (2) | \$ 77,000 | 0.14 | | | |
| 7 | 20000 Hr Items | \$ 330,000 | | 20000 | | |
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| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|-----------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 MPI | \$ 62,188 | | 1400 | | |
| | 2 CZI | \$ 194,583 | | 4200 | | |
| | 3 S/B Allowance | \$ 60,000 | | 4200 | | |
| 4 | | | | | | |
| 5 | | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
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| | 6 | | | | | |
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| | 10 | | | | | |

Maintenance Cost Data

Learjet 35/36

Database Date: Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00

(Page 2)

DOE AL N135DE

Government

Make/Model: Used Learjet 35/36 Acquisition: Purchase 317.25 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
| Fuel | \$ | 74,786 | 76,658 | 78,575 | 80,539 | 82,553 | 84,616 | 86,732 | 88,900 | 91,123 | 93,401 | 837,882 |
| Fuel Additives | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Maint Labor | \$ | 73,408 | 75,244 | 77,125 | 79,053 | 81,030 | 83,056 | 85,132 | 87,260 | 89,442 | 91,678 | 822,429 |
| Parts | \$ | 100,603 | 103,119 | 105,697 | 108,340 | 111,048 | 113,824 | 116,670 | 119,587 | 122,576 | 125,641 | 1,127,105 |
| Inspections | \$ | - | - | 224,781 | 2,908 | - | - | - | - | - | - | 227,689 |
| Engine Restoral | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Engine Guaranteed Mx Plan | \$ | 68,139 | 69,829 | 71,575 | 73,365 | 75,199 | 77,079 | 79,006 | 80,981 | 83,005 | 85,080 | 763,257 |
| Avionics Guaranteed Mx Plan | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Component Overhaul (All) | \$ | 8,272 | - | 2,600 | 5,600 | 2,732 | - | 2,870 | - | 3,016 | - | 25,159 |
| Life Limited Components (All) | \$ | 25,750 | 3,505 | 15,150 | 8,206 | 3,775 | 3,869 | 11,620 | 9,058 | 4,167 | 4,271 | 89,302 |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | \$ | 435 | 445 | 457 | 468 | 480 | 492 | 504 | 517 | 530 | 543 | 4,869 |
| Fixed Cost | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Landing/Parking Fees | \$ | 1,815 | 2,351 | 2,410 | 2,470 | 2,532 | 2,595 | 2,660 | 2,727 | 2,795 | 2,865 | 25,219 |
| Crew Expenses | \$ | 24,440 | 32,434 | 33,244 | 34,076 | 34,927 | 35,801 | 36,696 | 37,613 | 38,553 | 39,517 | 347,301 |
| Small Supplies | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Total Variable Cost | \$ | 377,650 | 363,587 | 611,615 | 395,023 | 394,275 | 401,332 | 421,889 | 426,641 | 435,206 | 442,995 | 4,270,212 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | \$ | 103,972 | 106,571 | 109,236 | 111,966 | 114,766 | 117,635 | 120,576 | 123,590 | 126,680 | 129,847 | 1,164,838 |
| Maintenance Technicians | \$ | 42,903 | 43,976 | 45,075 | 46,202 | 47,357 | 48,541 | 49,754 | 50,998 | 52,273 | 53,580 | 480,659 |
| Other | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Benefits | \$ | 32,623 | 37,321 | 38,254 | 39,210 | 40,190 | 41,195 | 42,225 | 43,280 | 44,362 | 45,471 | 404,131 |
| Hangar | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Insurance | | | | | | | | | | | | |
| Hull | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Liability | \$ | 1,230 | 1,261 | 1,292 | 1,325 | 1,358 | 1,392 | 1,426 | 1,462 | 1,499 | 1,536 | 13,780 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | \$ | 95,406 | 97,791 | 100,236 | 102,742 | 105,310 | 107,943 | 110,642 | 113,408 | 116,243 | 119,149 | 1,068,870 |
| Management Fee | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Brokerage Fee | \$ | - | - | - | - | - | - | - | - | - | - | - |
| New Int/Paint/Avionics | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Modernization | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Nav/Weather Services | \$ | 5,563 | 5,702 | 5,845 | 5,991 | 6,141 | 6,294 | 6,451 | 6,613 | 6,778 | 6,947 | 62,324 |
| Comp Maint Service | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Refurbishing | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Other | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Total Fixed Cost | \$ | 281,697 | 292,621 | 299,937 | 307,435 | 315,121 | 322,999 | 331,074 | 339,361 | 347,835 | 356,531 | 3,194,602 |

| | | | | | | | | | | | | |
|-------------------------------|----|---------|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| Finance/Lease Cost | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Aircraft Cash Payment/Resale | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Final Payment/Loan Payoff | \$ | - | - | - | - | - | - | - | - | - | - | - |
| Operations Overhead | \$ | 239,529 | 245,517 | 251,655 | 257,947 | 264,395 | 271,005 | 277,780 | 284,725 | 291,843 | 299,139 | 2,683,535 |
| Administrative Overhead (G&A) | \$ | 70,030 | 71,781 | 73,575 | 75,415 | 77,300 | 79,233 | 81,213 | 83,244 | 85,325 | 87,458 | 784,573 |
| Total Annual Cost | \$ | 968,906 | 973,506 | 1,236,782 | 1,035,820 | 1,051,091 | 1,074,568 | 1,111,957 | 1,133,961 | 1,160,208 | 1,186,122 | 10,932,922 |

Life Cycle Cost 2000

Maintenance Cost Data

Learjet 35/36

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|---------------|
| Airframe: | 2.30 | Airframe: | \$ 117.09 /FH |
| Engine: | 0.00 | Engine: | \$ - |
| Avionics: | 0.00 | Avionics: | \$ - |

| Guaranteed Maintenance Plans | | | |
|------------------------------|-----|-----------|----|
| Engine: | Yes | Avionics: | No |
| | | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|-----------------|--------------------|------------------|-----------|--------|-------|
| Name: | | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 3000 Cycle | \$ 2,700 | | | 3000 | |
| | 2 6000 Cycle | \$ 17,750 | | | 6000 | 12 |
| | 3 12 Yr/7200 Hr | \$ 102,000 | | 7200 | | 12 |
| | 4 12000 Hour | \$ 94,200 | | 12000 | | 12 |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |
| | 11 | | | | | |
| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|---------------|---------------|---------------|-----------|--------|-------|
| Name: | | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Stab Actuator | \$ 2,475 | | 600 | | |
| 2 | Generator (2) | \$ 5,200 | | 2000 | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
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| 19 | | | | | | |
| 20 | | | | | | |

Cost Of Ownership Analysis

| | | |
|--------------------|---------------|----------|
| For: | DOE AL N135DE | 7-Jun-00 |
| Aircraft: | Learjet 35/36 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: Lear 35 Present Fleet - Costs Normalized

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

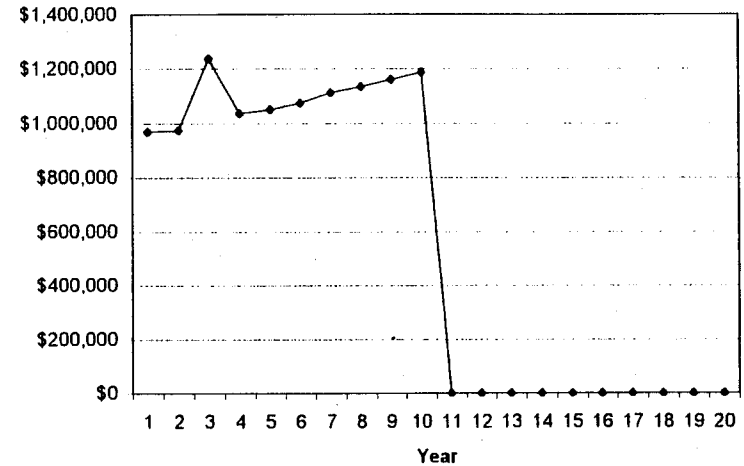
DOE AL N135DE

Type of Operation: Government

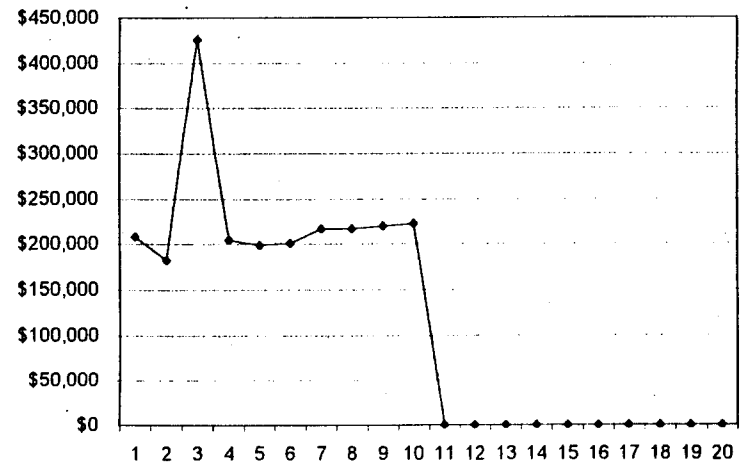
Make/Model: Used Learjet 35/36 Date: 7-Jun-00
Program Length: 10 Years Acquisition: Purchase

| | | | | | |
|-------------------------------|--------------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 317.25 | | Purchase Price | \$ | 4,325,000 |
| Cycles/Hour | 0.8 | | State Sales Tax: | \$ | - |
| Residual Value | 110 % | | Spares + Tooling: | \$ | - |
| MX Labor Rate | \$ 65.00 /MH | | Initial Training: | \$ | - |
| Fuel Cost | \$ 1.27 /GAL | | Trade-in/Other: | \$ | - |
| | | | Total | \$ | 4,325,000 |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 2767 | | Finance Cost/Year | \$ | - |
| Total Years | 9 | | Final Payment | \$ | - |
| Total Cycles | 2212 | | Lease Cost/Year | \$ | - |
| Ave Inflation: | 2.50% /Year | | Insured Value: | | \$ |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | \$ | | | | |
| Total Direct Cost | \$ | 4,270,212 | \$ 427,021 | \$ 1,346 | \$ 3.14 |
| Total Fixed Cost | \$ | 3,194,602 | \$ 319,460 | | |
| Residual Value | \$ | | | | |
| Total Finance/Lease Cost | \$ | | \$ | | |
| Ops + Admin Overhead | \$ | 3,468,108 | \$ 346,811 | | |
| Total Cost: | | \$ 10,932,922 | \$ 1,093,292 | \$ 3,446 | \$ 8.05 |
| Annual Budget: | Year 1 | \$ 968,906 | Year 11 | \$ | |
| (No Depreciation) | Year 2 | \$ 973,506 | Year 12 | \$ | |
| | Year 3 | \$ 1,236,782 | Year 13 | \$ | |
| | Year 4 | \$ 1,035,820 | Year 14 | \$ | |
| | Year 5 | \$ 1,051,091 | Year 15 | \$ | |
| | Year 6 | \$ 1,074,568 | Year 16 | \$ | |
| | Year 7 | \$ 1,111,957 | Year 17 | \$ | |
| | Year 8 | \$ 1,133,961 | Year 18 | \$ | |
| | Year 9 | \$ 1,160,208 | Year 19 | \$ | |
| | Year 10 | \$ 1,186,122 | Year 20 | \$ | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | | Name: | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|--|-------|----------------------------|---------------------------|--------------------|--------|-------|
| 1 | | | | | | | |
| 2 | | | | | | | |
| 3 | | | | | | | |
| 4 | | | | | | | |
| 5 | | | | | | | |
| 6 | | | | | | | |
| 7 | | | | | | | |
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| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | | | | | | | |
| 22 | | | | | | | |
| 23 | | | | | | | |
| 24 | | | | | | | |
| 25 | | | | | | | |
| 26 | | | | | | | |
| 27 | | | | | | | |
| 28 | | | | | | | |
| 29 | | | | | | | |
| 30 | | | | | | | |

| Engine Restoral/Heavy Maintenance | | Name: | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|----|-------|----------------------------|---------------------------|--------------------|--------|-------|
| Inspection | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| Replacement | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |

Maintenance Cost Data

--

Database Date:

Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

8-Jun-00

(Page 2)

DOE AL N148DE

Government

Make/Model:

Used

Acquisition: Purchase

255 Hours/Year

Aircraft Value: \$

Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 30,600 | \$ 31,366 | \$ 32,149 | \$ 32,963 | \$ 33,777 | \$ 34,621 | \$ 35,487 | \$ 36,374 | \$ 37,283 | \$ 38,215 | \$ 342,823 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 31,964 | \$ 32,763 | \$ 33,572 | \$ 34,411 | \$ 35,271 | \$ 36,153 | \$ 37,067 | \$ 37,983 | \$ 38,933 | \$ 39,906 | \$ 367,993 |
| Parts | | \$ 13,224 | \$ 13,556 | \$ 13,893 | \$ 14,241 | \$ 14,697 | \$ 14,962 | \$ 15,336 | \$ 15,719 | \$ 16,112 | \$ 16,515 | \$ 148,154 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 25,138 | \$ 26,766 | \$ 26,411 | \$ 27,071 | \$ 27,748 | \$ 28,441 | \$ 29,162 | \$ 29,881 | \$ 30,628 | \$ 31,394 | \$ 281,629 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 1,844 | \$ 1,890 | \$ 1,937 | \$ 1,985 | \$ 2,035 | \$ 2,086 | \$ 2,138 | \$ 2,192 | \$ 2,246 | \$ 2,302 | \$ 20,856 |
| Crew Expenses | | \$ 25,434 | \$ 26,070 | \$ 26,721 | \$ 27,389 | \$ 28,074 | \$ 28,776 | \$ 29,495 | \$ 30,233 | \$ 30,988 | \$ 31,763 | \$ 284,943 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 128,193 | \$ 131,398 | \$ 134,683 | \$ 138,060 | \$ 141,601 | \$ 145,039 | \$ 148,666 | \$ 152,381 | \$ 156,191 | \$ 160,096 | \$ 1,436,198 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 124,394 | \$ 127,504 | \$ 130,691 | \$ 133,959 | \$ 137,308 | \$ 140,740 | \$ 144,259 | \$ 147,865 | \$ 151,562 | \$ 155,351 | \$ 1,393,633 |
| Maintenance Technicians | | \$ 32,347 | \$ 33,166 | \$ 33,986 | \$ 34,834 | \$ 35,705 | \$ 36,598 | \$ 37,513 | \$ 38,450 | \$ 39,412 | \$ 40,397 | \$ 362,398 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 47,022 | \$ 48,198 | \$ 49,403 | \$ 50,638 | \$ 51,904 | \$ 53,201 | \$ 54,531 | \$ 55,895 | \$ 57,292 | \$ 58,724 | \$ 526,808 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 800 | \$ 820 | \$ 841 | \$ 862 | \$ 883 | \$ 905 | \$ 928 | \$ 951 | \$ 975 | \$ 999 | \$ 8,963 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 33 | \$ 33 | \$ 34 | \$ 35 | \$ 36 | \$ 37 | \$ 38 | \$ 39 | \$ 40 | \$ 41 | \$ 364 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 1,057 | \$ 1,083 | \$ 1,111 | \$ 1,138 | \$ 1,167 | \$ 1,196 | \$ 1,226 | \$ 1,256 | \$ 1,288 | \$ 1,320 | \$ 11,842 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 206,653 | \$ 210,794 | \$ 216,064 | \$ 221,466 | \$ 227,002 | \$ 232,677 | \$ 238,494 | \$ 244,457 | \$ 250,568 | \$ 256,832 | \$ 2,304,007 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 65,714 | \$ 67,357 | \$ 69,041 | \$ 70,767 | \$ 72,538 | \$ 74,349 | \$ 76,208 | \$ 78,113 | \$ 80,066 | \$ 82,068 | \$ 84,117 | \$ 736,219 |
| Administrative Overhead (G&A) | \$ 36,172 | \$ 37,076 | \$ 38,003 | \$ 38,953 | \$ 39,927 | \$ 40,925 | \$ 41,948 | \$ 42,997 | \$ 44,072 | \$ 45,174 | \$ 46,302 | \$ 405,249 |
| Total Annual Cost | \$ 435,732 | \$ 446,826 | \$ 457,791 | \$ 469,236 | \$ 480,967 | \$ 492,991 | \$ 505,316 | \$ 517,948 | \$ 530,897 | \$ 544,170 | \$ 557,899 | \$ 4,881,673 |

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | | |
|-------------|------|-------|-------------|----------|-----|
| Airframe: | 0.00 | | Airframe: | \$ 51.86 | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
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| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
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| | 18 | | | | | | |
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| | 20 | | | | | | |

Cost Of Ownership Analysis

| | | |
|--------------------|---------------|----------|
| For: | DOE AL N148DE | 8-Jun-00 |
| Aircraft: | -- | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: Dash 6 Future Fleet GOGO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N148DE

Type of Operation: Government

Make/Model: Used -- Date: 8-Jun-00

Program Length: 10 Years Acquisition: Purchase

Program Data:

Hrs/Year 255
Cycles/Hour 1.87
Residual Value 130 %
MX Labor Rate \$ 61.76 /MH
Fuel Cost \$ 1.50 /GAL

Airframe Status:

Total Hours 27160
Total Years 24
Total Cycles 50739

Ave Inflation: 2.50% /Year

Acquisition Cost + Sales Tax:

Purchase Price \$ 1,065,000
State Sales Tax: \$
Spares + Tooling: \$
Initial Training: \$
Trade-in/Other: \$
Total \$ 1,065,000

Lease/Finance Payments:

Finance Cost/Year \$
Final Payment \$
Lease Cost/Year \$

Insured Value: \$

Life Cycle Cost Total: Program Total Cost/Year Cost/Hour Cost/St Mile

Total Acquisition + Sales Tax \$

Total Direct Cost \$ 1,436,198 \$ 143,620 \$ 563 ??

Total Fixed Cost \$ 2,304,007 \$ 230,401

Residual Value \$

Total Finance/Lease Cost \$

Ops + Admin Overhead \$ 1,141,468 \$ 114,147

Total Cost: \$ 4,881,673 \$ 488,167 \$ 1,914 ??

Annual Budget: Year 1 \$ 435,732 Year 11 \$

(No Depreciation) Year 2 \$ 446,625 Year 12 \$

Year 3 \$ 457,791 Year 13 \$

Year 4 \$ 469,236 Year 14 \$

Year 5 \$ 480,967 Year 15 \$

Year 6 \$ 492,991 Year 16 \$

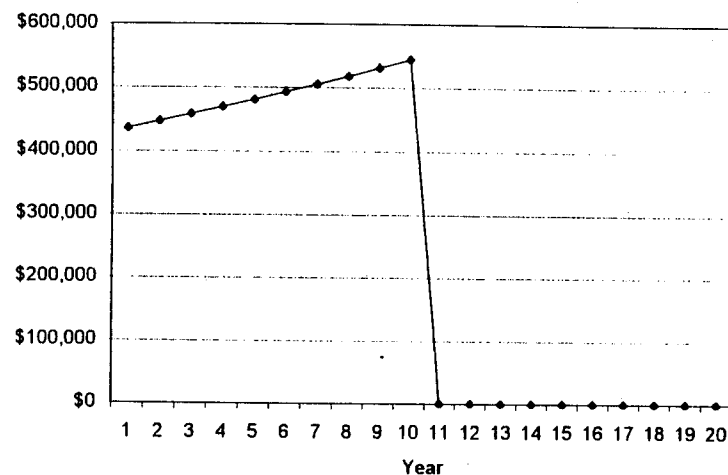
Year 7 \$ 505,316 Year 17 \$

Year 8 \$ 517,948 Year 18 \$

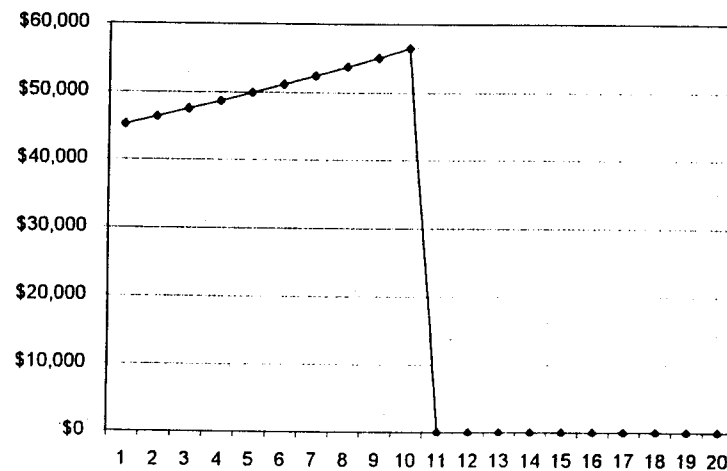
Year 9 \$ 530,897 Year 19 \$

Year 10 \$ 544,170 Year 20 \$

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

Input Data

Notes: Dash 6 Future Fleet GOCO

| | | | |
|----------------------------------|---------------|--------------------------------------|--------------|
| Customer: | DOE AL N148DE | Type of Operation: | Government |
| Date of Analysis: | 20-Jul-00 | Type of Analysis: | Total Cost |
| Aircraft: | -- | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 27160 | If Straightline: | |
| Total Years | 24 | Term (Years) | 10 |
| Total Cycles | 50739 | Residual Value (%) | 130% |
| Base of Operation: | -- | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 255 | | |
| Cycles per Flt Hr (Airframe): | 1.87 | | |
| Cycles per Flt Hr (Engine): | 1.87 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 1,065,000 | Insured Value | \$ - |
| State Sales Tax: | \$ - | Resale Value | 130.0% |
| Spares + Tooling: | \$ - | Brokerage Fee: | \$ - |
| Initial Training: | \$ - | | |
| Trade-in/Other: | \$ - | | |
| Total | \$ 1,065,000 | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.50 | Fuel Consumption (Gallon/Flt Hr) | 80 |
| Maintenance Labor Rate (\$/Mf) | \$ 61.76 | Other | \$ - |
| Fixed Cost Input | | Hangar Cost (\$/Year): | \$ - |
| Salaries/Aircraft (\$/Year) | | Nav & Weather Service (\$/Yr.): | \$ 1,057 |
| Pilots/Flight Crew: | \$ 124,394 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 32,347 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ - | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 30% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 33 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ - | Insurance: Liability (\$/Year): | \$ 800 |
| Administrative Overhead (%): | \$ - | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ 65,714 | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ 54,258 | Computer Maint Mgmt System (\$/Yr) | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | |
|-------------|------|-------|-------------|--------------|
| Airframe: | 0.00 | | Airframe: | \$ 51.86 /FH |
| Engine: | 0.00 | | Engine: | \$ - |
| Avionics: | 0.00 | | Avionics: | \$ - |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost | Inspection Cycle | Frequency | Cycles | Years |
|-------------|----|-------|--------------------|------------------|-----------|--------|-------|
| | | | Total (Current \$) | Start (Hrs) | Hours | | |
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------|-------------------------------|---------------------------|--------------------|--------|-------|
| | | | | | | | |
| | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

| Life Limited Parts | Parts Cost | Prem Removals | Frequency |
|--------------------|------------|---------------|-----------|
|--------------------|------------|---------------|-----------|

Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|-------|--------------|----------|-------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
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| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | Name: | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|-------|----------------------------|---------------------------|--------------------|--------|-------|
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

-

Database Date: Jan-00

Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

20-Jul-00

DOE AL N148DE

Government

Make/Model:

Used --

Acquisition: Purchase

255 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Flt Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (1,065,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (1,065,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | \$ (128,193) | \$ (131,398) | \$ (134,683) | \$ (138,050) | \$ (141,501) | \$ (145,039) | \$ (148,665) | \$ (152,381) | \$ (156,191) | \$ (160,096) | \$ (160,096) |
| Fixed Cost | \$ (205,653) | \$ (210,794) | \$ (216,064) | \$ (221,466) | \$ (227,002) | \$ (232,677) | \$ (238,494) | \$ (244,457) | \$ (250,568) | \$ (256,832) | \$ (256,832) |
| Operations Overhead | \$ (65,714) | \$ (67,357) | \$ (69,041) | \$ (70,767) | \$ (72,536) | \$ (74,349) | \$ (76,208) | \$ (78,113) | \$ (80,066) | \$ (82,068) | \$ (82,068) |
| Admin Overhead (G&A) | \$ (54,258) | \$ (55,614) | \$ (57,005) | \$ (58,430) | \$ (59,891) | \$ (61,388) | \$ (62,923) | \$ (64,496) | \$ (66,108) | \$ (67,761) | \$ (67,761) |
| Depreciation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (453,818) | \$ (465,164) | \$ (476,793) | \$ (488,712) | \$ (500,930) | \$ (513,453) | \$ (526,290) | \$ (539,447) | \$ (552,933) | \$ (566,757) | \$ (566,757) |

| | | | | | | | | | | | |
|--------------------|------|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (1,065,000) | \$ (453,818) | \$ (465,164) | \$ (476,793) | \$ (488,712) | \$ (500,930) | \$ (513,453) | \$ (526,290) | \$ (539,447) | \$ (552,933) | \$ (566,757) |
| Operating Cash Flow: | \$ (453,818) | \$ (465,164) | \$ (476,793) | \$ (488,712) | \$ (500,930) | \$ (513,453) | \$ (526,290) | \$ (539,447) | \$ (552,933) | \$ (566,757) | \$ (566,757) |
| Present Value of Total Cash Flow | \$ (453,818) | \$ (465,164) | \$ (476,793) | \$ (488,712) | \$ (500,930) | \$ (513,453) | \$ (526,290) | \$ (539,447) | \$ (552,933) | \$ (566,757) | \$ (566,757) |
| Net Present Value: | \$ (1,065,000) | \$ (1,518,818) | \$ (1,983,982) | \$ (2,460,774) | \$ (2,949,487) | \$ (3,450,417) | \$ (3,963,870) | \$ (4,490,160) | \$ (5,029,607) | \$ (5,582,540) | \$ (6,149,297) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used --

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|------|------|------|------|------|------|------|------|------|------|-------|----------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Revenues |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Flt Hr) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales (Month) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Aircraft Sale |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|--------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,065,000) | Cost Without Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Acquisition Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Principal Repayment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Final Payment |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,065,000) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|----------------|-----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Cost With Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Sales Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Charter Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,436,198) | Variable Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (2,304,007) | Fixed Cost |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (736,219) | Operations Overhead |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (607,873) | Admin Overhead (G&A) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Depreciation |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Interest |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Lease Payments |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,084,297) | Total |

| | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|-------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Tax Impact: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Income Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Capital Gains Tax |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total |

| | | | | | | | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (6,149,297) | After Tax - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Total Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,084,297) | Operating Cash Flow: |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,084,297) | Present Value: |
| \$ (6,149,297) | \$ (6,149,297) | \$ (6,149,297) | \$ (6,149,297) | \$ (6,149,297) | \$ (6,149,297) | \$ (6,149,297) | \$ (6,149,297) | \$ (6,149,297) | \$ (6,149,297) | \$ (6,149,297) | Net Present Value |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N148DE

Type of Operation: **Government**

Make/Model: Used -- Acquisition: Purchase

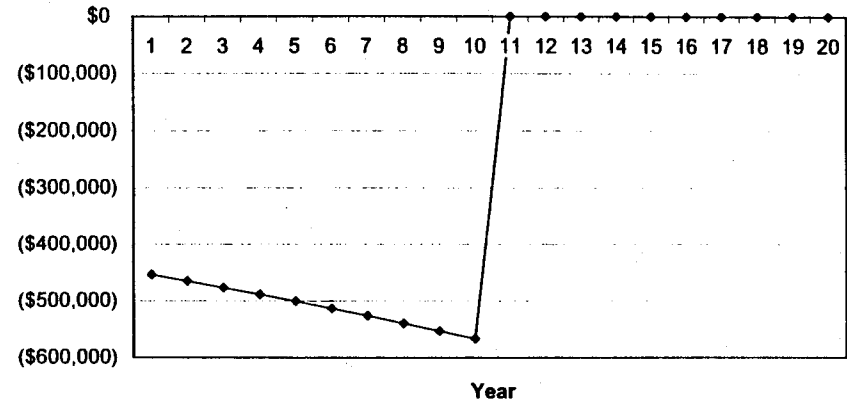
Program Length: 10 Years Date: 20-Jul-00

| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|--------------------|
| Capital Gains Tax: | 0 % | Method: | Straightline |
| Corp Tax Rate: | 0 % | Term: | 10 |
| Desired ROI: | 0 % | Residual: | 130 |
| Interest Rate: | 0 % | | |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 0 % | + | \$ 65,714.00 /Year |
| Admin Overhead: | 0 % | + | \$ 54,258.00 /Year |
| Revenue: | \$ - | /Flt Hr. + | \$ - /Mo |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 255 | Hrs/Yr. | |
| Acquisition Cost: | \$ 1,065,000 | Residual Value: | \$ - |

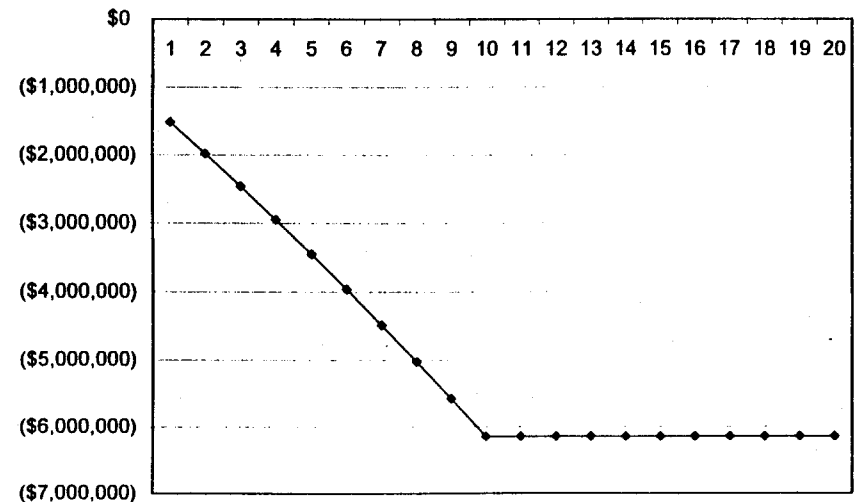
| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|--------------------|---------|-------------------------|---------------------------|---------------------|
| Acquisition Cost 0 | \$ - | \$ (1,065,000) | \$ - | \$ (1,065,000) |
| 1 | \$ - | \$ (453,818) | \$ - | \$ (453,818) |
| 2 | \$ - | \$ (465,164) | \$ - | \$ (465,164) |
| 3 | \$ - | \$ (476,793) | \$ - | \$ (476,793) |
| 4 | \$ - | \$ (488,712) | \$ - | \$ (488,712) |
| 5 | \$ - | \$ (500,930) | \$ - | \$ (500,930) |
| 6 | \$ - | \$ (513,453) | \$ - | \$ (513,453) |
| 7 | \$ - | \$ (526,290) | \$ - | \$ (526,290) |
| 8 | \$ - | \$ (539,447) | \$ - | \$ (539,447) |
| 9 | \$ - | \$ (552,933) | \$ - | \$ (552,933) |
| 10 | \$ - | \$ (566,757) | \$ - | \$ (566,757) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (6,149,297) | \$ - | \$ (6,149,297) |

| | | | |
|----------------|----------------|--------------------|----------------|
| Investment: | \$ 1,065,000 | | |
| Present Value: | \$ (5,084,297) | Net Present Value: | \$ (6,149,297) |

After Tax Cash Flow From Operations (Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Life Cycle Cost 2000

ANNUAL COST (Page 1) 20-Jul-00

(Page 2)

DOE AL N148DE

Government

Make/Model: Used -- Acquisition: Purchase 255 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| Fuel | | \$ 30,600 | \$ 31,365 | \$ 32,149 | \$ 32,953 | \$ 33,777 | \$ 34,621 | \$ 35,487 | \$ 36,374 | \$ 37,283 | \$ 38,215 | \$ 342,823 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 31,954 | \$ 32,753 | \$ 33,572 | \$ 34,411 | \$ 35,271 | \$ 36,153 | \$ 37,057 | \$ 37,983 | \$ 38,933 | \$ 39,906 | \$ 357,993 |
| Parts | | \$ 13,224 | \$ 13,555 | \$ 13,893 | \$ 14,241 | \$ 14,597 | \$ 14,962 | \$ 15,336 | \$ 15,719 | \$ 16,112 | \$ 16,515 | \$ 148,154 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 25,138 | \$ 25,766 | \$ 26,411 | \$ 27,071 | \$ 27,748 | \$ 28,441 | \$ 29,152 | \$ 29,881 | \$ 30,628 | \$ 31,394 | \$ 281,629 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 1,844 | \$ 1,890 | \$ 1,937 | \$ 1,985 | \$ 2,035 | \$ 2,086 | \$ 2,138 | \$ 2,192 | \$ 2,246 | \$ 2,302 | \$ 20,655 |
| Crew Expenses | | \$ 25,434 | \$ 26,070 | \$ 26,721 | \$ 27,389 | \$ 28,074 | \$ 28,776 | \$ 29,495 | \$ 30,233 | \$ 30,988 | \$ 31,763 | \$ 284,943 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$128,193 | \$ 131,398 | \$134,683 | \$138,050 | \$141,501 | \$145,039 | \$148,665 | \$152,381 | \$156,191 | \$160,096 | \$1,436,198 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$124,394 | \$ 127,504 | \$130,691 | \$133,959 | \$137,308 | \$140,740 | \$144,259 | \$147,865 | \$151,562 | \$155,351 | \$1,393,633 |
| Maintenance Technicians | | \$ 32,347 | \$ 33,156 | \$ 33,985 | \$ 34,834 | \$ 35,705 | \$ 36,598 | \$ 37,513 | \$ 38,450 | \$ 39,412 | \$ 40,397 | \$ 362,396 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 47,022 | \$ 48,198 | \$ 49,403 | \$ 50,638 | \$ 51,904 | \$ 53,201 | \$ 54,531 | \$ 55,895 | \$ 57,292 | \$ 58,724 | \$ 526,809 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 800 | \$ 820 | \$ 841 | \$ 862 | \$ 883 | \$ 905 | \$ 928 | \$ 951 | \$ 975 | \$ 999 | \$ 8,963 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 33 | \$ 33 | \$ 34 | \$ 35 | \$ 36 | \$ 37 | \$ 38 | \$ 39 | \$ 40 | \$ 41 | \$ 364 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 1,057 | \$ 1,083 | \$ 1,111 | \$ 1,138 | \$ 1,167 | \$ 1,196 | \$ 1,226 | \$ 1,256 | \$ 1,288 | \$ 1,320 | \$ 11,842 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Relurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$205,653 | \$ 210,794 | \$216,064 | \$221,466 | \$227,002 | \$232,677 | \$238,494 | \$244,457 | \$250,568 | \$256,832 | \$2,304,007 |

| | | | | | | | | | | | | |
|-------------------------------|------------------|-------------------|-------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 65,714 | \$ 67,357 | \$ 69,041 | \$ 70,767 | \$ 72,536 | \$ 74,349 | \$ 76,208 | \$ 78,113 | \$ 80,066 | \$ 82,068 | \$ 84,119 | \$ 736,219 |
| Administrative Overhead (G&A) | \$ 54,258 | \$ 55,614 | \$ 57,005 | \$ 58,430 | \$ 59,891 | \$ 61,388 | \$ 62,923 | \$ 64,496 | \$ 66,108 | \$ 67,761 | \$ 69,454 | \$ 607,873 |
| Total Annual Cost | \$453,818 | \$ 465,164 | \$ 476,793 | \$488,712 | \$500,930 | \$ 513,453 | \$526,290 | \$539,447 | \$552,933 | \$566,757 | \$580,811 | \$5,084,297 |

Cost Of Ownership Analysis

For: DOE AL N148DE 20-Jul-00

Aircraft: --

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: Dash 6 Future Fleet GOCO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N148DE

Type of Operation: **Government**

Make/Model: **Used --**

Date: **20-Jul-00**

Program Length: **10 Years**

Acquisition: **Purchase**

Program Data:

Hrs/Year: 255
Cycles/Hour: 1.87
Residual Value: 130 %
MX Labor Rate: \$ 61.76 /MH
Fuel Cost: \$ 1.50 /GAL

Acquisition Cost + Sales Tax:

Purchase Price: \$ 1,065,000
State Sales Tax: \$ -
Spares + Tooling: \$ -
Initial Training: \$ -
Trade-in/Other: \$ -
Total: \$ 1,065,000

Airframe Status:

Total Hours: 27160
Total Years: 24
Total Cycles: 50739

Lease/Finance Payments:

Finance Cost/Year: \$ -
Final Payment: \$ -
Lease Cost/Year: \$ -

Ave Inflation: 2.50% /Year

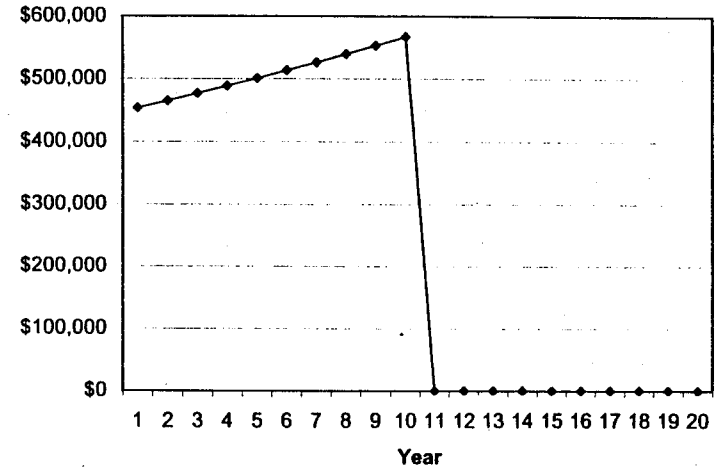
Insured Value: \$ -

| Life Cycle Cost Total: | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
|-------------------------------|---------------------|-------------------|-----------------|--------------|
| Total Acquisition + Sales Tax | \$ - | | | |
| Total Direct Cost | \$ 1,436,198 | \$ 143,620 | \$ 563 | ?? |
| Total Fixed Cost | \$ 2,304,007 | \$ 230,401 | | |
| Residual Value | \$ - | | | |
| Total Finance/Lease Cost | \$ - | \$ - | | |
| Ops + Admin Overhead | \$ 1,344,092 | \$ 134,409 | | |
| Total Cost: | \$ 5,084,297 | \$ 508,430 | \$ 1,994 | ?? |

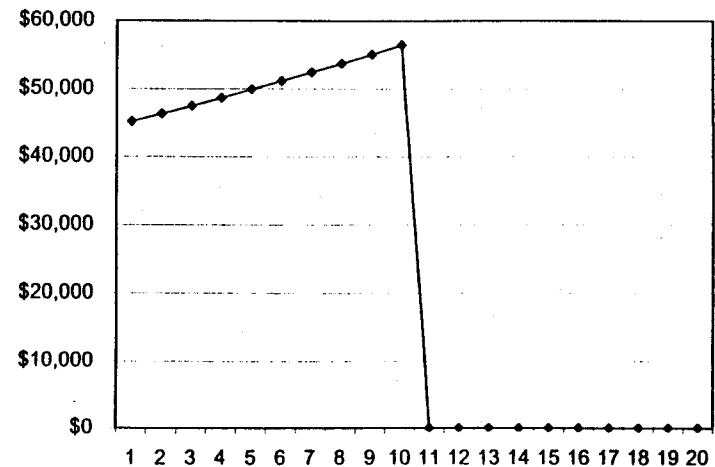
Annual Budget:

| (No Depreciation) | Year | Cost | Year | Cost | Year | Cost |
|-------------------|---------|------------|---------|------|------|------|
| | Year 1 | \$ 453,818 | Year 11 | \$ - | | |
| | Year 2 | \$ 465,164 | Year 12 | \$ - | | |
| | Year 3 | \$ 476,793 | Year 13 | \$ - | | |
| | Year 4 | \$ 488,712 | Year 14 | \$ - | | |
| | Year 5 | \$ 500,930 | Year 15 | \$ - | | |
| | Year 6 | \$ 513,453 | Year 16 | \$ - | | |
| | Year 7 | \$ 526,290 | Year 17 | \$ - | | |
| | Year 8 | \$ 539,447 | Year 18 | \$ - | | |
| | Year 9 | \$ 552,933 | Year 19 | \$ - | | |
| | Year 10 | \$ 566,757 | Year 20 | \$ - | | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | | Name: | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|--|-------|----------------------------|---------------------------|--------------------|--------|-------|
| 1 | | | | | | | |
| 2 | | | | | | | |
| 3 | | | | | | | |
| 4 | | | | | | | |
| 5 | | | | | | | |
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| 28 | | | | | | | |
| 29 | | | | | | | |
| 30 | | | | | | | |

| Engine Restoral/Heavy Maintenance | | Name: | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|----|-------|----------------------------|---------------------------|--------------------|--------|-------|
| Inspection | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| Replacement | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
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| | 9 | | | | | | |
| | 10 | | | | | | |

Maintenance Cost Data

--

Database Date:

Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00

(Page 2)

DOE AL N148DE

Government

Make/Model: Used --

Acquisition: Purchase

196.09 Hours/Year

Aircraft Value: \$ -

Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 19,989 | \$ 20,421 | \$ 20,931 | \$ 21,466 | \$ 21,991 | \$ 22,541 | \$ 23,104 | \$ 23,682 | \$ 24,274 | \$ 24,881 | \$ 223,268 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 66,832 | \$ 68,503 | \$ 70,215 | \$ 71,971 | \$ 73,770 | \$ 75,614 | \$ 77,505 | \$ 79,442 | \$ 81,428 | \$ 83,464 | \$ 748,744 |
| Parts | | \$ 67,321 | \$ 68,764 | \$ 69,223 | \$ 70,678 | \$ 72,137 | \$ 73,603 | \$ 75,075 | \$ 76,552 | \$ 78,034 | \$ 79,521 | \$ 742,189 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 19,584 | \$ 20,073 | \$ 20,576 | \$ 21,089 | \$ 21,617 | \$ 22,157 | \$ 22,711 | \$ 23,279 | \$ 23,861 | \$ 24,457 | \$ 219,402 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ 936 | \$ 968 | \$ 982 | \$ 1,007 | \$ 1,032 | \$ 1,068 | \$ 1,084 | \$ 1,111 | \$ 1,139 | \$ 1,168 | \$ 10,476 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 124 | \$ 127 | \$ 130 | \$ 133 | \$ 136 | \$ 140 | \$ 143 | \$ 147 | \$ 151 | \$ 154 | \$ 1,384 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 700 | \$ 1,453 | \$ 1,490 | \$ 1,527 | \$ 1,565 | \$ 1,604 | \$ 1,644 | \$ 1,686 | \$ 1,727 | \$ 1,771 | \$ 16,168 |
| Crew Expenses | | \$ 57,896 | \$ 20,047 | \$ 20,648 | \$ 21,062 | \$ 21,688 | \$ 22,128 | \$ 22,681 | \$ 23,248 | \$ 23,830 | \$ 24,426 | \$ 257,453 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 223,379 | \$ 190,336 | \$ 195,094 | \$ 199,972 | \$ 204,971 | \$ 210,095 | \$ 215,348 | \$ 220,731 | \$ 226,250 | \$ 231,908 | \$ 2,118,081 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 48,103 | \$ 49,308 | \$ 50,538 | \$ 51,802 | \$ 53,097 | \$ 54,424 | \$ 55,785 | \$ 57,179 | \$ 58,609 | \$ 60,074 | \$ 538,916 |
| Maintenance Technicians | | \$ 16,739 | \$ 17,157 | \$ 17,586 | \$ 18,026 | \$ 18,477 | \$ 18,939 | \$ 19,412 | \$ 19,897 | \$ 20,395 | \$ 20,905 | \$ 187,533 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 11,782 | \$ 16,476 | \$ 16,888 | \$ 17,310 | \$ 17,743 | \$ 18,187 | \$ 18,641 | \$ 19,107 | \$ 19,585 | \$ 20,075 | \$ 175,795 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 369 | \$ 378 | \$ 388 | \$ 397 | \$ 407 | \$ 417 | \$ 428 | \$ 439 | \$ 450 | \$ 461 | \$ 4,134 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 15 | \$ 15 | \$ 16 | \$ 16 | \$ 17 | \$ 17 | \$ 17 | \$ 18 | \$ 18 | \$ 19 | \$ 168 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 697 | \$ 714 | \$ 732 | \$ 751 | \$ 769 | \$ 789 | \$ 808 | \$ 829 | \$ 849 | \$ 870 | \$ 7,809 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 77,705 | \$ 84,047 | \$ 86,148 | \$ 88,302 | \$ 90,510 | \$ 92,772 | \$ 95,092 | \$ 97,489 | \$ 99,906 | \$ 102,403 | \$ 914,355 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 30,108 | \$ 27,438 | \$ 28,124 | \$ 28,827 | \$ 29,548 | \$ 30,287 | \$ 31,044 | \$ 31,820 | \$ 32,616 | \$ 33,431 | \$ 303,244 | \$ 303,244 |
| Administrative Overhead (G&A) | \$ 30,108 | \$ 27,438 | \$ 28,124 | \$ 28,827 | \$ 29,548 | \$ 30,287 | \$ 31,044 | \$ 31,820 | \$ 32,616 | \$ 33,431 | \$ 303,244 | \$ 303,244 |
| Total Annual Cost | \$ 361,301 | \$ 329,260 | \$ 337,491 | \$ 346,929 | \$ 356,577 | \$ 363,441 | \$ 372,527 | \$ 381,840 | \$ 391,386 | \$ 401,171 | \$ 3,638,923 | |

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | | \$/FH |
|-------------|------|-------|-------------|----------|-------|
| Airframe: | 0.00 | | Airframe: | \$ 51.86 | |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
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| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
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| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

Cost Of Ownership Analysis

| | | |
|--------------------|---------------|----------|
| For: | DOE AL N148DE | 7-Jun-00 |
| Aircraft: | -- | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: Dash 6 Present Fleet - Should Costs
Ops. O/H at 10% and G&A at 10%

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N148DE

Type of Operation: Government

Make/Model: Used -- Date: 7-Jun-00

Program Length: 10 Years Acquisition: Purchase

Program Data:

Hrs/Year 196.09
Cycles/Hour 1.87
Residual Value 130 %
MX Labor Rate \$ 65.00 /MH
Fuel Cost \$ 1.27 /GAL

Airframe Status:

Total Hours 27160
Total Years 24
Total Cycles 50739

Ave Inflation: 2.50% /Year

Acquisition Cost + Sales Tax:

Purchase Price \$ 1,065,000
State Sales Tax: \$
Spares + Tooling: \$
Initial Training: \$
Trade-in/Other: \$
Total \$ 1,065,000

Lease/Finance Payments:

Finance Cost/Year \$
Final Payment \$
Lease Cost/Year \$

Insured Value: \$

Life Cycle Cost Total: Program Total Cost/Year Cost/Hour Cost/St Mile

Total Acquisition + Sales Tax

Total Direct Cost \$ 2,118,081 \$ 211,808 \$ 1,080 ??

Total Fixed Cost \$ 914,355 \$ 91,436

Residual Value \$

Total Finance/Lease Cost \$

Ops + Admin Overhead \$ 606,487 \$ 60,649

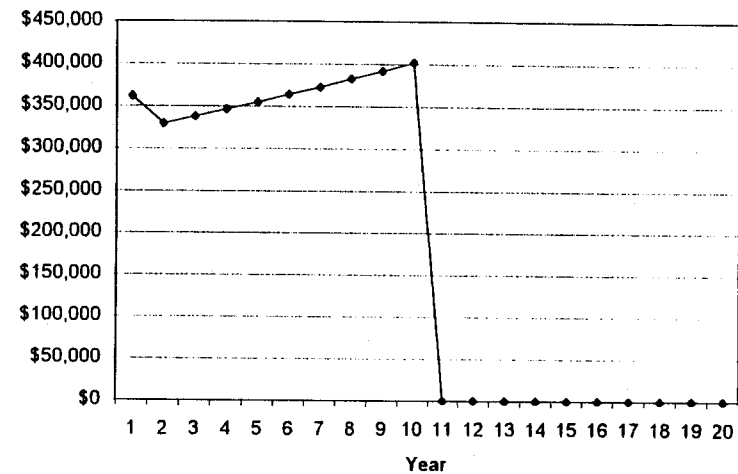
Total Cost: \$ 3,638,923 \$ 363,892 \$ 1,856 ??

Annual Budget:

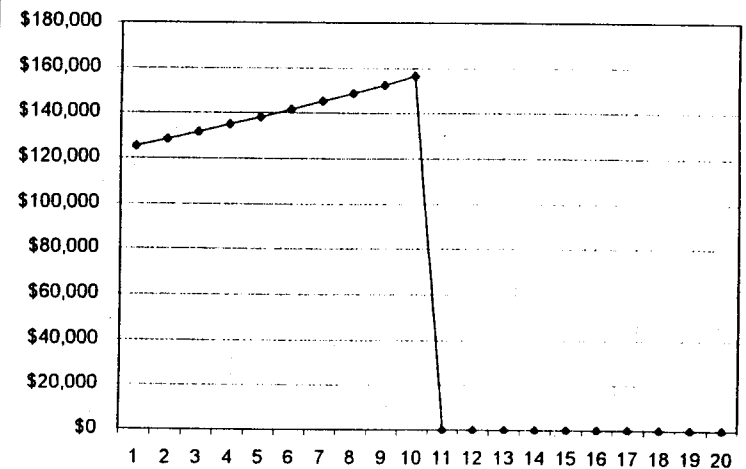
(No Depreciation)

| | | | |
|---------|------------|---------|----|
| Year 1 | \$ 361,301 | Year 11 | \$ |
| Year 2 | \$ 329,260 | Year 12 | \$ |
| Year 3 | \$ 337,491 | Year 13 | \$ |
| Year 4 | \$ 345,929 | Year 14 | \$ |
| Year 5 | \$ 354,577 | Year 15 | \$ |
| Year 6 | \$ 363,441 | Year 16 | \$ |
| Year 7 | \$ 372,527 | Year 17 | \$ |
| Year 8 | \$ 381,840 | Year 18 | \$ |
| Year 9 | \$ 391,386 | Year 19 | \$ |
| Year 10 | \$ 401,171 | Year 20 | \$ |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | | Name: | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------|----------------------------|---------------------------|--------------------|--------|-------|
| | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
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| | 27 | | | | | | |
| | 28 | | | | | | |
| | 29 | | | | | | |
| | 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Name: | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|----|-------|----------------------------|---------------------------|--------------------|--------|-------|
| Inspection | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| Replacement | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
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| | 6 | | | | | | |
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Maintenance Cost Data

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Database Date:

Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00

(Page 2)

DOE AL N148DE

Government

Make/Model: Used -- Acquisition: Purchase 196.09 Hours/Year

Aircraft Value: \$ Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 19,989 | \$ 20,421 | \$ 20,931 | \$ 21,455 | \$ 21,991 | \$ 22,541 | \$ 23,104 | \$ 23,682 | \$ 24,274 | \$ 24,881 | \$ 223,288 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 66,832 | \$ 68,503 | \$ 70,215 | \$ 71,971 | \$ 73,770 | \$ 75,614 | \$ 77,505 | \$ 79,442 | \$ 81,428 | \$ 83,464 | \$ 748,744 |
| Parts | | \$ 67,321 | \$ 68,754 | \$ 70,223 | \$ 71,728 | \$ 73,272 | \$ 74,863 | \$ 76,475 | \$ 78,137 | \$ 79,840 | \$ 81,586 | \$ 642,189 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 19,584 | \$ 20,073 | \$ 20,575 | \$ 21,089 | \$ 21,617 | \$ 22,157 | \$ 22,711 | \$ 23,279 | \$ 23,861 | \$ 24,467 | \$ 219,402 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ 935 | \$ 958 | \$ 982 | \$ 1,007 | \$ 1,032 | \$ 1,058 | \$ 1,084 | \$ 1,111 | \$ 1,139 | \$ 1,168 | \$ 10,475 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 124 | \$ 127 | \$ 130 | \$ 133 | \$ 136 | \$ 140 | \$ 143 | \$ 147 | \$ 151 | \$ 154 | \$ 1,384 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 700 | \$ 1,453 | \$ 1,490 | \$ 1,527 | \$ 1,565 | \$ 1,604 | \$ 1,644 | \$ 1,685 | \$ 1,727 | \$ 1,771 | \$ 16,186 |
| Crew Expenses | | \$ 57,895 | \$ 20,047 | \$ 20,548 | \$ 21,062 | \$ 21,588 | \$ 22,128 | \$ 22,681 | \$ 23,248 | \$ 23,830 | \$ 24,425 | \$ 257,453 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 223,379 | \$ 190,336 | \$ 195,094 | \$ 199,972 | \$ 204,971 | \$ 210,085 | \$ 215,348 | \$ 220,731 | \$ 226,250 | \$ 231,906 | \$ 2,118,081 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 48,103 | \$ 49,306 | \$ 50,538 | \$ 51,802 | \$ 53,097 | \$ 54,424 | \$ 55,785 | \$ 57,179 | \$ 58,609 | \$ 60,074 | \$ 638,918 |
| Maintenance Technicians | | \$ 16,739 | \$ 17,157 | \$ 17,586 | \$ 18,026 | \$ 18,477 | \$ 18,939 | \$ 19,412 | \$ 19,897 | \$ 20,395 | \$ 20,905 | \$ 187,533 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 11,782 | \$ 16,476 | \$ 16,888 | \$ 17,310 | \$ 17,743 | \$ 18,187 | \$ 18,641 | \$ 19,107 | \$ 19,586 | \$ 20,075 | \$ 175,795 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 369 | \$ 378 | \$ 388 | \$ 397 | \$ 407 | \$ 417 | \$ 428 | \$ 439 | \$ 450 | \$ 461 | \$ 4,134 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 15 | \$ 15 | \$ 15 | \$ 15 | \$ 17 | \$ 17 | \$ 17 | \$ 18 | \$ 18 | \$ 19 | \$ 168 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int./Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 697 | \$ 714 | \$ 732 | \$ 751 | \$ 769 | \$ 789 | \$ 808 | \$ 829 | \$ 849 | \$ 870 | \$ 7,809 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 77,705 | \$ 84,047 | \$ 86,148 | \$ 88,302 | \$ 90,510 | \$ 92,772 | \$ 95,092 | \$ 97,469 | \$ 99,906 | \$ 102,403 | \$ 914,365 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 75,190 | \$ 77,070 | \$ 78,996 | \$ 80,971 | \$ 82,996 | \$ 85,071 | \$ 87,197 | \$ 89,377 | \$ 91,612 | \$ 93,902 | \$ 96,246 | \$ 842,382 |
| Administrative Overhead (G&A) | \$ 31,850 | \$ 32,646 | \$ 33,462 | \$ 34,299 | \$ 35,156 | \$ 36,035 | \$ 36,936 | \$ 37,860 | \$ 38,806 | \$ 39,776 | \$ 40,766 | \$ 356,828 |
| Total Annual Cost | \$ 408,124 | \$ 384,099 | \$ 393,702 | \$ 403,644 | \$ 413,633 | \$ 423,974 | \$ 434,673 | \$ 445,437 | \$ 456,573 | \$ 467,988 | \$ 479,646 | \$ 4,231,646 |

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|----------|-----|
| Airframe: | 0.00 | MH/FH | Airframe: | \$ 51.86 | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycle | Frequency | | |
|-------------|-------|--------------------|------------------|-----------|--------|-------|
| | Name: | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
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| | 11 | | | | | |
| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|-------|---------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
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| | 20 | | | | | |

Cost Of Ownership Analysis

| | | |
|--------------------|---------------|----------|
| For: | DOE AL N148DE | 7-Jun-00 |
| Aircraft: | -- | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: Dash 6 Present Fleet - Costs Normalized

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N148DE

Type of Operation: Government

Make/Model:

Used --

Date:

7-Jun-00

Program Length:

10 Years

Acquisition:

Purchase

Program Data:

Hrs/Year 196.09

Cycles/Hour 1.87

Residual Value 130 %

MX Labor Rate \$ 65.00 /MH

Fuel Cost \$ 1.27 /GAL

Airframe Status:

Total Hours 27160

Total Years 24

Total Cycles 50739

Ave Inflation:

2.50% /Year

Acquisition Cost + Sales Tax:

Purchase Price \$ 1,065,000

State Sales Tax: \$ -

Spares + Tooling: \$ -

Initial Training: \$ -

Trade-in/Other: \$ -

Total \$ 1,065,000

Lease/Finance Payments:

Finance Cost/Year \$ -

Final Payment \$ -

Lease Cost/Year \$ -

Insured Value: \$ -

Life Cycle Cost Total:

Program Total

Cost/Year

Cost/Hour

Cost/St Mile

Total Acquisition + Sales Tax

Total Direct Cost

\$ 2,118,081

\$ 211,808

\$ 1,080

??

Total Fixed Cost

\$ 914,355

\$ 91,436

Residual Value

\$ -

Total Finance/Lease Cost

\$ -

\$ -

Ops + Admin Overhead

\$ 1,199,210

\$ 119,921

Total Cost:

\$ 4,231,646

\$ 423,165

\$ 2,158

??

Annual Budget:

Year 1

\$ 408,124

Year 11

\$ -

(No Depreciation)

Year 2

\$ 384,099

Year 12

\$ -

Year 3

\$ 393,702

Year 13

\$ -

Year 4

\$ 403,544

Year 14

\$ -

Year 5

\$ 413,633

Year 15

\$ -

Year 6

\$ 423,974

Year 16

\$ -

Year 7

\$ 434,573

Year 17

\$ -

Year 8

\$ 445,437

Year 18

\$ -

Year 9

\$ 456,573

Year 19

\$ -

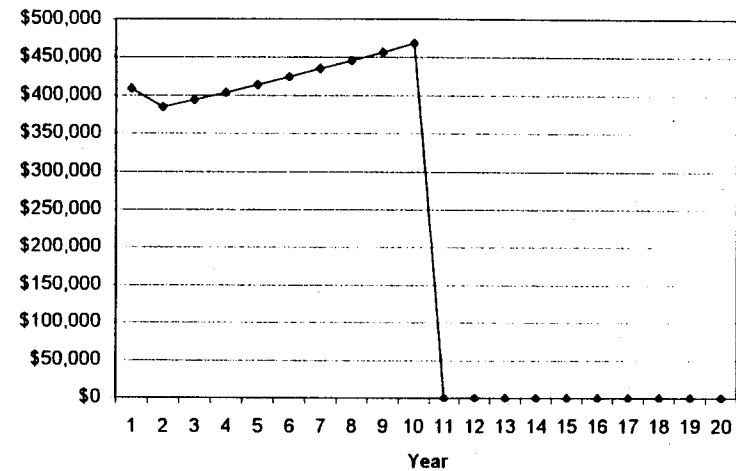
Year 10

\$ 467,988

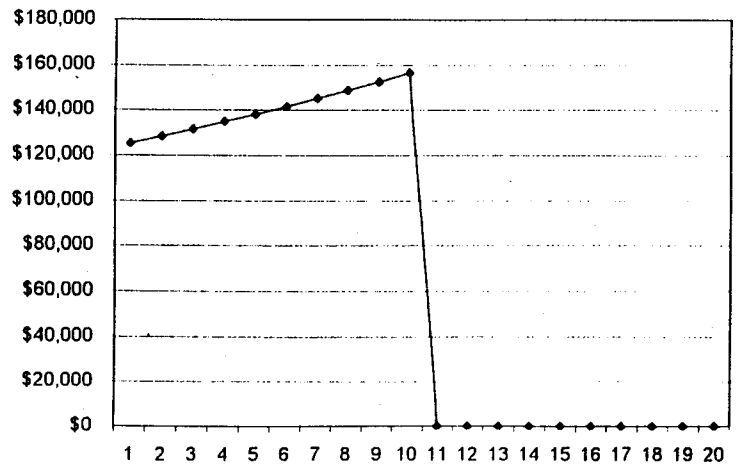
Year 20

\$ -

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | | Name: | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|--|-------|----------------------------|---------------------------|--------------------|--------|-------|
| 1 | | | | | | | |
| 2 | | | | | | | |
| 3 | | | | | | | |
| 4 | | | | | | | |
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| 30 | | | | | | | |

| Engine Restoral/Heavy Maintenance | | Name: | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|----|-------|----------------------------|---------------------------|--------------------|--------|-------|
| Inspection | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| Replacement | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
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| | 7 | | | | | | |
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| | 9 | | | | | | |
| | 10 | | | | | | |

Maintenance Cost Date

--

Database Date:

Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

8-Jun-00

(Page 2)

DOE AL N162DE

Government

Make/Model:

Used

Acquisition: Purchase

255 Hours/Year

Aircraft Value:

\$

Residual Value:

\$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 30,600 | \$ 31,365 | \$ 32,149 | \$ 32,953 | \$ 33,777 | \$ 34,621 | \$ 35,487 | \$ 36,374 | \$ 37,283 | \$ 38,215 | \$ 342,823 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 31,954 | \$ 32,753 | \$ 33,572 | \$ 34,411 | \$ 35,271 | \$ 36,153 | \$ 37,067 | \$ 37,983 | \$ 38,933 | \$ 39,906 | \$ 357,993 |
| Parts | | \$ 13,224 | \$ 13,555 | \$ 13,893 | \$ 14,241 | \$ 14,597 | \$ 14,962 | \$ 15,338 | \$ 15,719 | \$ 16,112 | \$ 16,515 | \$ 148,154 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 26,138 | \$ 25,766 | \$ 26,411 | \$ 27,071 | \$ 27,748 | \$ 28,441 | \$ 29,152 | \$ 29,881 | \$ 30,628 | \$ 31,394 | \$ 281,629 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 1,844 | \$ 1,890 | \$ 1,937 | \$ 1,985 | \$ 2,035 | \$ 2,086 | \$ 2,138 | \$ 2,192 | \$ 2,246 | \$ 2,302 | \$ 20,655 |
| Crew Expenses | | \$ 26,434 | \$ 26,070 | \$ 26,721 | \$ 27,389 | \$ 28,074 | \$ 28,776 | \$ 29,495 | \$ 30,233 | \$ 30,988 | \$ 31,763 | \$ 284,943 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 128,193 | \$ 131,398 | \$ 134,683 | \$ 138,050 | \$ 141,501 | \$ 145,039 | \$ 148,665 | \$ 152,381 | \$ 156,191 | \$ 160,096 | \$ 1,436,188 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 124,394 | \$ 127,504 | \$ 130,691 | \$ 133,959 | \$ 137,308 | \$ 140,740 | \$ 144,259 | \$ 147,865 | \$ 151,562 | \$ 155,351 | \$ 1,393,633 |
| Maintenance Technicians | | \$ 32,347 | \$ 33,156 | \$ 33,985 | \$ 34,834 | \$ 35,705 | \$ 36,598 | \$ 37,513 | \$ 38,450 | \$ 39,412 | \$ 40,397 | \$ 362,396 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 47,022 | \$ 48,198 | \$ 49,403 | \$ 50,638 | \$ 51,904 | \$ 53,201 | \$ 54,531 | \$ 55,895 | \$ 57,292 | \$ 58,724 | \$ 526,809 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 800 | \$ 820 | \$ 841 | \$ 862 | \$ 883 | \$ 905 | \$ 928 | \$ 951 | \$ 975 | \$ 999 | \$ 8,963 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 33 | \$ 33 | \$ 34 | \$ 35 | \$ 36 | \$ 37 | \$ 38 | \$ 39 | \$ 40 | \$ 41 | \$ 364 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 1,057 | \$ 1,083 | \$ 1,111 | \$ 1,138 | \$ 1,167 | \$ 1,196 | \$ 1,226 | \$ 1,256 | \$ 1,288 | \$ 1,320 | \$ 11,842 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 206,653 | \$ 210,794 | \$ 216,064 | \$ 221,466 | \$ 227,002 | \$ 232,677 | \$ 238,494 | \$ 244,457 | \$ 250,568 | \$ 256,832 | \$ 2,304,007 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 65,714 | \$ 67,357 | \$ 69,041 | \$ 70,767 | \$ 72,536 | \$ 74,349 | \$ 76,208 | \$ 78,113 | \$ 80,066 | \$ 82,068 | \$ 84,120 | \$ 736,219 |
| Administrative Overhead (G&A) | \$ 36,172 | \$ 37,076 | \$ 38,003 | \$ 38,953 | \$ 39,927 | \$ 40,925 | \$ 41,948 | \$ 42,997 | \$ 44,072 | \$ 45,174 | \$ 46,304 | \$ 405,249 |
| Total Annual Cost | \$ 435,732 | \$ 446,625 | \$ 457,791 | \$ 469,236 | \$ 480,967 | \$ 492,991 | \$ 505,316 | \$ 517,948 | \$ 530,897 | \$ 544,170 | \$ 557,824 | \$ 4,881,673 |

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | | |
|-------------|------|-------|-------------|----------|-----|
| Airframe: | 0.00 | | Airframe: | \$ 51.86 | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
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| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
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| | 20 | | | | | | |

Cost Of Ownership Analysis

| | | |
|--------------------|---------------|----------|
| For: | DOE AL N162DE | 8-Jun-00 |
| Aircraft: | -- | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: Dash 6 Future Fleet GOGO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N162DE

Type of Operation: **Government**

Make/Model: **Used** --

Date: **8-Jun-00**

Program Length: **10** Years

Acquisition: **Purchase**

Program Data:

Hrs/Year: **255**
Cycles/Hour: **1.56**
Residual Value: **130** %
MX Labor Rate: \$ **61.76** /MH
Fuel Cost: \$ **1.50** /GAL

Acquisition Cost + Sales Tax:

Purchase Price: \$ **1,010,000**
State Sales Tax: \$
Spares + Tooling: \$
Initial Training: \$
Trade-in/Other: \$
Total: \$ **1,010,000**

Airframe Status:

Total Hours: **20781**
Total Years: **26**
Total Cycles: **32400**

Lease/Finance Payments:

Finance Cost/Year: \$
Final Payment: \$
Lease Cost/Year: \$

Ave Inflation: **2.50%** /Year

Insured Value: \$

Life Cycle Cost Total: **Program Total** **Cost/Year** **Cost/Hour** **Cost/St Mile**

Total Acquisition + Sales Tax: \$

Total Direct Cost: \$ **1,436,198** \$ **143,620** \$ **563** ??

Total Fixed Cost: \$ **2,304,007** \$ **230,401**

Residual Value: \$

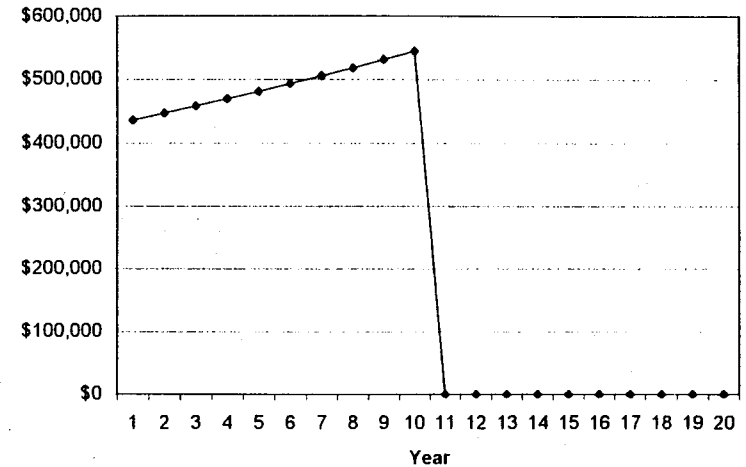
Total Finance/Lease Cost: \$

Ops + Admin Overhead: \$ **1,141,468** \$ **114,147**

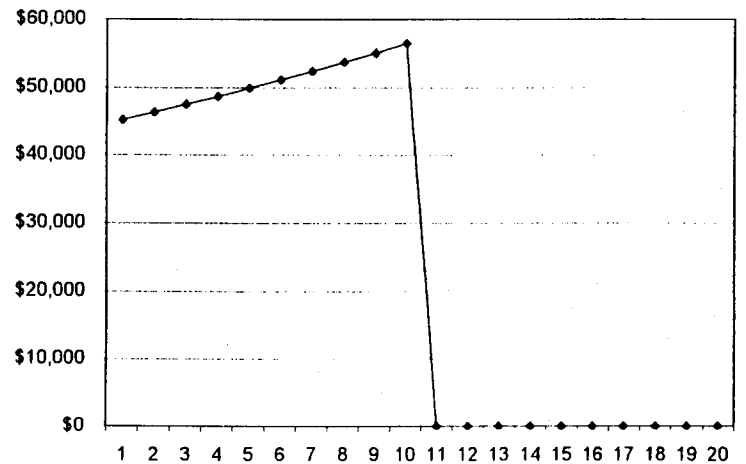
Total Cost: \$ **4,881,673** \$ **488,167** \$ **1,914** ??

| Annual Budget: | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 | Year 12 | Year 13 | Year 14 | Year 15 | Year 16 | Year 17 | Year 18 | Year 19 | Year 20 |
|-------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| (No Depreciation) | \$ 435,732 | \$ 446,625 | \$ 457,791 | \$ 469,236 | \$ 480,967 | \$ 492,991 | \$ 505,316 | \$ 517,948 | \$ 530,897 | \$ 544,170 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | Name: | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|-------|----------------------------|---------------------------|--------------------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
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| Engine Restoral/Heavy Maintenance | Name: | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|-------|----------------------------|---------------------------|--------------------|--------|-------|
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
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Maintenance Cost Data

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Database Date:

Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

8-Jun-00

(Page 2)

DOE AL N162DE

Government

Make/Model: Used Acquisition: Purchase 255 Hours/Year

Aircraft Value: \$ Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 30,600 | \$ 31,365 | \$ 32,149 | \$ 32,953 | \$ 33,777 | \$ 34,621 | \$ 35,487 | \$ 36,374 | \$ 37,283 | \$ 38,215 | \$ 342,823 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 31,954 | \$ 32,753 | \$ 33,572 | \$ 34,411 | \$ 35,271 | \$ 36,153 | \$ 37,057 | \$ 37,983 | \$ 38,933 | \$ 39,908 | \$ 357,993 |
| Parts | | \$ 13,224 | \$ 13,555 | \$ 13,893 | \$ 14,241 | \$ 14,597 | \$ 14,962 | \$ 15,336 | \$ 15,719 | \$ 16,112 | \$ 16,515 | \$ 148,154 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 25,138 | \$ 25,766 | \$ 26,411 | \$ 27,071 | \$ 27,748 | \$ 28,441 | \$ 29,152 | \$ 29,881 | \$ 30,628 | \$ 31,394 | \$ 281,629 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 1,844 | \$ 1,890 | \$ 1,937 | \$ 1,985 | \$ 2,035 | \$ 2,086 | \$ 2,138 | \$ 2,192 | \$ 2,248 | \$ 2,302 | \$ 20,855 |
| Crew Expenses | | \$ 25,434 | \$ 26,070 | \$ 26,721 | \$ 27,389 | \$ 28,074 | \$ 28,776 | \$ 29,495 | \$ 30,233 | \$ 30,988 | \$ 31,763 | \$ 284,943 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 128,193 | \$ 131,398 | \$ 134,683 | \$ 138,050 | \$ 141,501 | \$ 145,039 | \$ 148,665 | \$ 152,381 | \$ 156,191 | \$ 160,096 | \$ 1,436,198 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 124,394 | \$ 127,504 | \$ 130,691 | \$ 133,959 | \$ 137,308 | \$ 140,740 | \$ 144,259 | \$ 147,865 | \$ 151,562 | \$ 155,351 | \$ 1,393,833 |
| Maintenance Technicians | | \$ 32,347 | \$ 33,156 | \$ 33,985 | \$ 34,834 | \$ 35,705 | \$ 36,598 | \$ 37,513 | \$ 38,450 | \$ 39,412 | \$ 40,397 | \$ 362,396 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 47,022 | \$ 48,198 | \$ 49,403 | \$ 50,638 | \$ 51,904 | \$ 53,201 | \$ 54,531 | \$ 55,895 | \$ 57,292 | \$ 58,724 | \$ 526,809 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 800 | \$ 820 | \$ 841 | \$ 862 | \$ 883 | \$ 905 | \$ 928 | \$ 951 | \$ 976 | \$ 999 | \$ 8,963 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 33 | \$ 33 | \$ 34 | \$ 35 | \$ 36 | \$ 37 | \$ 38 | \$ 39 | \$ 40 | \$ 41 | \$ 364 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 1,057 | \$ 1,083 | \$ 1,111 | \$ 1,138 | \$ 1,167 | \$ 1,198 | \$ 1,228 | \$ 1,256 | \$ 1,288 | \$ 1,320 | \$ 11,842 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 205,653 | \$ 210,794 | \$ 216,084 | \$ 221,466 | \$ 227,002 | \$ 232,877 | \$ 238,494 | \$ 244,457 | \$ 250,568 | \$ 256,832 | \$ 2,304,007 |

| | | | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 65,714 | \$ 67,357 | \$ 69,041 | \$ 70,767 | \$ 72,536 | \$ 74,349 | \$ 76,208 | \$ 78,113 | \$ 80,066 | \$ 82,068 | \$ 84,119 | \$ 736,219 |
| Administrative Overhead (G&A) | \$ 9,644 | \$ 9,885 | \$ 10,132 | \$ 10,386 | \$ 10,645 | \$ 10,911 | \$ 11,184 | \$ 11,464 | \$ 11,750 | \$ 12,044 | \$ 12,344 | \$ 108,045 |
| Total Annual Cost | \$ 409,204 | \$ 419,434 | \$ 429,920 | \$ 440,688 | \$ 451,685 | \$ 462,977 | \$ 474,651 | \$ 486,415 | \$ 498,575 | \$ 511,040 | \$ 523,909 | \$ 4,584,469 |

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|----------|-----|
| Airframe: | 0.00 | MH/FH | Airframe: | \$ 51.86 | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
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| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
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| | 19 | | | | | | |
| | 20 | | | | | | |

Cost Of Ownership Analysis

For: DOE AL N162DE 8-Jun-00

Aircraft: --

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: Dash 6 Future Fleet GOCO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N162DE

Type of Operation: Government

Make/Model:

Used

Date:

8-Jun-00

Program Length:

10

Years

Acquisition:

Purchase

Program Data:

| | |
|----------------|--------------|
| Hrs/Year | 255 |
| Cycles/Hour | 1.56 |
| Residual Value | 130 % |
| MX Labor Rate | \$ 61.76 /MH |
| Fuel Cost | \$ 1.50 /GAL |

Acquisition Cost + Sales Tax:

| | |
|-------------------|--------------|
| Purchase Price | \$ 1,010,000 |
| State Sales Tax: | \$ - |
| Spares + Tooling: | \$ - |
| Initial Training: | \$ - |
| Trade-in/Other: | \$ - |
| Total | \$ 1,010,000 |

Airframe Status:

| | |
|--------------|-------|
| Total Hours | 20781 |
| Total Years | 26 |
| Total Cycles | 32400 |

Lease/Finance Payments:

| | |
|-------------------|------|
| Finance Cost/Year | \$ - |
| Final Payment | \$ - |
| Lease Cost/Year | \$ - |

Ave Inflation:

2.50% /Year

Insured Value:

\$ -

Life Cycle Cost Total:

Program Total

Cost/Year

Cost/Hour

Cost/St Mile

Total Acquisition + Sales Tax

\$ -

Total Direct Cost

\$ 1,436,198

\$ 143,620

\$ 563

??

Total Fixed Cost

\$ 2,304,007

\$ 230,401

Residual Value

\$ -

Total Finance/Lease Cost

\$ -

\$ -

Ops + Admin Overhead

\$ 844,264

\$ 84,426

Total Cost:

\$ 4,584,469

\$ 458,447

\$ 1,798

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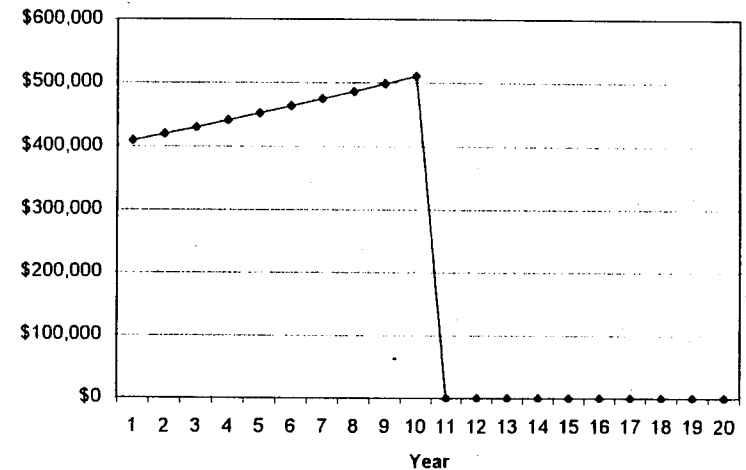
Annual Budget:

(No Depreciation)

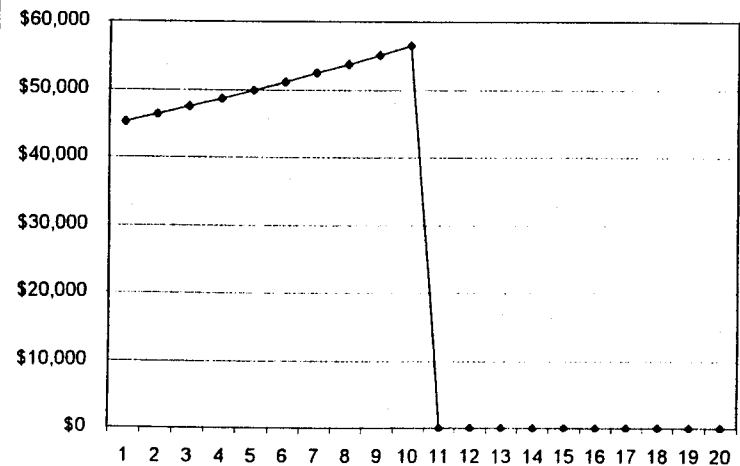
| | |
|---------|------------|
| Year 1 | \$ 409,204 |
| Year 2 | \$ 419,434 |
| Year 3 | \$ 429,920 |
| Year 4 | \$ 440,668 |
| Year 5 | \$ 451,685 |
| Year 6 | \$ 462,977 |
| Year 7 | \$ 474,551 |
| Year 8 | \$ 486,415 |
| Year 9 | \$ 498,575 |
| Year 10 | \$ 511,040 |

| | |
|---------|------|
| Year 11 | \$ - |
| Year 12 | \$ - |
| Year 13 | \$ - |
| Year 14 | \$ - |
| Year 15 | \$ - |
| Year 16 | \$ - |
| Year 17 | \$ - |
| Year 18 | \$ - |
| Year 19 | \$ - |
| Year 20 | \$ - |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|--|----------------------------|---------------------------|--------------------|--------|-------|
| Name: | | | | | | |
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
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| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|----|----------------------------|---------------------------|--------------------|--------|-------|
| Name: | | | | | | |
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
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| | 7 | | | | | |
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| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

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Database Date:

Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00

(Page 2)

DOE AL N162DE

Government

Make/Model: Used Acquisition: Purchase 313.57 Hours/Year

Aircraft Value: \$ Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 31,966 | \$ 32,655 | \$ 33,472 | \$ 34,308 | \$ 35,166 | \$ 36,045 | \$ 36,946 | \$ 37,870 | \$ 38,817 | \$ 39,787 | \$ 367,033 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 65,913 | \$ 67,561 | \$ 69,250 | \$ 70,981 | \$ 72,756 | \$ 74,575 | \$ 76,439 | \$ 78,350 | \$ 80,309 | \$ 82,316 | \$ 738,449 |
| Parts | | \$ 29,976 | \$ 30,725 | \$ 31,494 | \$ 32,281 | \$ 33,088 | \$ 33,915 | \$ 34,763 | \$ 35,632 | \$ 36,523 | \$ 37,436 | \$ 335,833 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 30,655 | \$ 31,421 | \$ 32,206 | \$ 33,012 | \$ 33,837 | \$ 34,683 | \$ 35,550 | \$ 36,439 | \$ 37,350 | \$ 38,283 | \$ 343,436 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ 935 | \$ 958 | \$ 982 | \$ 1,007 | \$ 1,032 | \$ 1,058 | \$ 1,084 | \$ 1,111 | \$ 1,139 | \$ 1,168 | \$ 10,475 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 411 | \$ 421 | \$ 432 | \$ 442 | \$ 453 | \$ 465 | \$ 476 | \$ 488 | \$ 500 | \$ 513 | \$ 4,602 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 755 | \$ 2,324 | \$ 2,382 | \$ 2,441 | \$ 2,502 | \$ 2,565 | \$ 2,629 | \$ 2,695 | \$ 2,762 | \$ 2,831 | \$ 23,887 |
| Crew Expenses | | \$ 5,562 | \$ 32,057 | \$ 32,859 | \$ 33,680 | \$ 34,522 | \$ 35,385 | \$ 36,270 | \$ 37,177 | \$ 38,106 | \$ 39,059 | \$ 324,678 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 166,172 | \$ 198,123 | \$ 203,076 | \$ 208,153 | \$ 213,357 | \$ 218,691 | \$ 224,158 | \$ 229,762 | \$ 235,506 | \$ 241,394 | \$ 2,138,391 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 107,344 | \$ 110,028 | \$ 112,778 | \$ 115,598 | \$ 118,488 | \$ 121,450 | \$ 124,486 | \$ 127,598 | \$ 130,788 | \$ 134,058 | \$ 1,202,616 |
| Maintenance Technicians | | \$ 42,529 | \$ 43,592 | \$ 44,682 | \$ 45,799 | \$ 46,944 | \$ 48,118 | \$ 49,321 | \$ 50,564 | \$ 51,817 | \$ 53,113 | \$ 476,469 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 37,381 | \$ 38,082 | \$ 39,034 | \$ 40,010 | \$ 41,011 | \$ 42,036 | \$ 43,087 | \$ 44,164 | \$ 45,268 | \$ 46,400 | \$ 416,473 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 1,230 | \$ 1,261 | \$ 1,292 | \$ 1,325 | \$ 1,358 | \$ 1,392 | \$ 1,426 | \$ 1,462 | \$ 1,499 | \$ 1,536 | \$ 13,780 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 50 | \$ 51 | \$ 53 | \$ 54 | \$ 55 | \$ 57 | \$ 58 | \$ 59 | \$ 61 | \$ 62 | \$ 560 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int./Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 1,416 | \$ 1,451 | \$ 1,488 | \$ 1,525 | \$ 1,563 | \$ 1,602 | \$ 1,642 | \$ 1,683 | \$ 1,725 | \$ 1,768 | \$ 15,864 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 189,950 | \$ 194,466 | \$ 199,327 | \$ 204,310 | \$ 209,418 | \$ 214,654 | \$ 220,020 | \$ 225,520 | \$ 231,158 | \$ 236,937 | \$ 2,125,761 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 35,812 | \$ 39,269 | \$ 40,240 | \$ 41,246 | \$ 42,277 | \$ 43,334 | \$ 44,418 | \$ 45,528 | \$ 46,666 | \$ 47,833 | \$ 48,933 | \$ 426,415 |
| Administrative Overhead (G&A) | \$ 35,612 | \$ 39,269 | \$ 40,240 | \$ 41,246 | \$ 42,277 | \$ 43,334 | \$ 44,418 | \$ 45,528 | \$ 46,666 | \$ 47,833 | \$ 48,933 | \$ 426,415 |
| Total Annual Cost | \$ 427,347 | \$ 471,105 | \$ 482,884 | \$ 494,955 | \$ 507,330 | \$ 520,013 | \$ 533,013 | \$ 546,339 | \$ 559,997 | \$ 573,997 | \$ 588,397 | \$ 5,116,983 |

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|----------|-----|
| Airframe: | 0.00 | MH/FH | Airframe: | \$ 51.86 | /FH |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
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| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | | | | | | |
| | 2 | | | | | | |
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| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

Cost Of Ownership Analysis

For: DOE AL N162DE 7-Jun-00

Aircraft: --

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: Dash 6 Present Fleet - Should Costs
Ops. O/H at 10% and G&A at 10%

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N162DE

Type of Operation: Government

Make/Model:

Used

--

Date:

7-Jun-00

Program Length:

10

Years

Acquisition:

Purchase

Program Data:

Hrs/Year 313.57
Cycles/Hour 1.56
Residual Value 130 %
MX Labor Rate \$ 65.00 /MH
Fuel Cost \$ 1.27 /GAL

Acquisition Cost + Sales Tax:

Purchase Price \$ 1,010,000
State Sales Tax: \$ -
Spares + Tooling: \$ -
Initial Training: \$ -
Trade-in/Other: \$ -
Total \$ 1,010,000

Airframe Status:

Total Hours 20781
Total Years 26
Total Cycles 32400

Lease/Finance Payments:

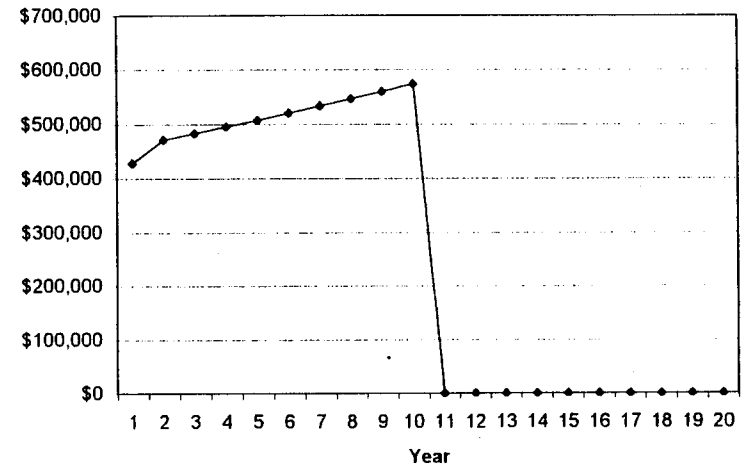
Finance Cost/Year \$ -
Final Payment \$ -
Lease Cost/Year \$ -

Ave Inflation: 2.50% /Year

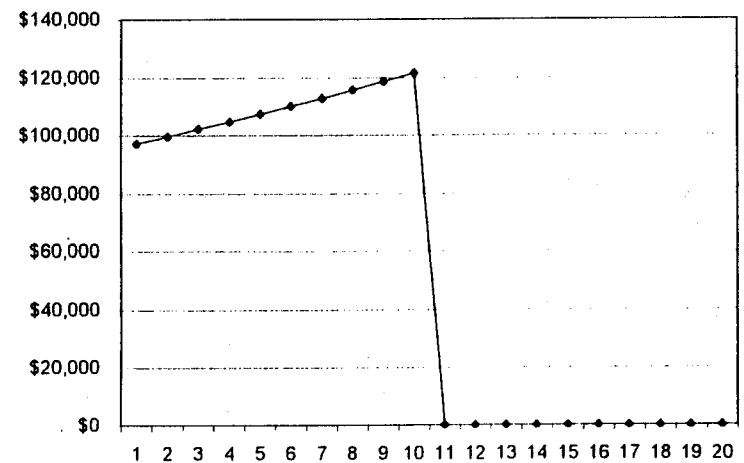
Insured Value: \$ -

| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
|-------------------------------|---------|---------------|------------|-----------|--------------|
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 2,138,391 | \$ 213,839 | \$ 682 | ?? |
| Total Fixed Cost | | \$ 2,125,761 | \$ 212,576 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 852,830 | \$ 85,283 | | |
| Total Cost: | | \$ 5,116,983 | \$ 511,698 | \$ 1,632 | ?? |
| Annual Budget: | Year 1 | \$ 427,347 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 471,106 | Year 12 | \$ - | |
| | Year 3 | \$ 482,884 | Year 13 | \$ - | |
| | Year 4 | \$ 494,956 | Year 14 | \$ - | |
| | Year 5 | \$ 507,330 | Year 15 | \$ - | |
| | Year 6 | \$ 520,013 | Year 16 | \$ - | |
| | Year 7 | \$ 533,013 | Year 17 | \$ - | |
| | Year 8 | \$ 546,339 | Year 18 | \$ - | |
| | Year 9 | \$ 559,997 | Year 19 | \$ - | |
| | Year 10 | \$ 573,997 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

Input Data

Notes: Lear 35 Future Fleet GOCO

| | | | |
|--------------------------------------|---------------|---|--------------|
| Customer: | DOE AL N135DE | Type of Operation: | Government |
| Date of Analysis: | 20-Jul-00 | Type of Analysis: | Total Cost |
| Aircraft: | Learjet 35/36 | Acquisition Method: | Purchase |
| Aircraft Status: | Used | Depreciation Method: | Straightline |
| Total Time | 2767 | If Straightline; | |
| Total Years | 9 | Term (Years) | 10 |
| Total Cycles | 2212 | Residual Value (%) | 110% |
| Base of Operation: | - | | |
| Program Length (Years): | 10 | | |
| Total Hours (Hrs/Yr): | 325 | | |
| Cycles per Flt Hr (Airframe): | 0.8 | | |
| Cycles per Flt Hr (Engine): | 0.8 | | |
| Acquisition Cost - Purchase | | | |
| Purchase Price | \$ 4,325,000 | Insured Value | \$ - |
| State Sales Tax: | \$ - | Resale Value | 110.0% |
| Spares + Tooling: | \$ - | Brokerage Fee: | \$ - |
| Initial Training: | \$ - | | |
| Trade-in/Other: | \$ - | | |
| Total | \$ 4,325,000 | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Variable Cost Input | | | |
| Fuel Cost (\$/Gallon) | \$ 1.50 | Fuel Consumption (Gallon/Flt Hr) | 185 |
| Maintenance Labor Rate (\$/Mf) | \$ 61.76 | Other | \$ 1.37 |
| | | Hangar Cost (\$/Year): | \$ - |
| Fixed Cost Input | | Nav & Weather Service (\$/Yr.): | \$ 5,563 |
| Salaries/Aircraft (\$/Year) | | | \$ - |
| Pilots/Flight Crew: | \$ 124,394 | Crew Expenses (\$/Flt Hr): | \$ 100 |
| Maintenance Technicians: | \$ 41,227 | Landing/ATC Fees (\$/Flt Hr): | \$ 7 |
| Other: | \$ - | Small Supplies/Catering (\$/Flt Hr): | \$ - |
| Benefits (% of Salaries) | 30% | Other Fixed Cost (\$/Yr): | \$ - |
| Training Cost (\$/Year): | \$ 95,406 | Insurance: Hull (% of Insured Value) | 0.00% |
| Operations Overhead (%): | \$ - | Insurance: Liability (\$/Year): | \$ 1,230 |
| Administrative Overhead (%): | \$ - | Modernization (% of Acq Cost): | 0.00% |
| Operations Overhead (\$/Yr): | \$ 83,752 | Refurbishing Cost (\$/Year): | \$ - |
| Administrative Overhead (\$/Yr): | \$ 64,641 | Computer Maint Mgmt System (\$/Yr) | \$ - |

* The data shown is based on user input

Life Cycle Cost 2000

Maintenance Cost Data

Learjet 35/36

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | | /FH |
|-------------|------|-------|-------------|-----------|-----|
| Airframe: | 2.30 | | Airframe: | \$ 117.09 | |
| Engine: | 0.00 | | Engine: | \$ - | |
| Avionics: | 0.00 | | Avionics: | \$ - | |

Guaranteed Maintenance Plans

| | | | | | |
|---------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |
|---------|-----|-----------|----|------|----|

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|---------------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| | | | | | | | |
| Recurring | 1 | 3000 Cycle | \$ 2,700 | | | 3000 | |
| | 2 | 6000 Cycle | \$ 17,750 | | | 6000 | 12 |
| | 3 | 12 Yr/7200 Hr | \$ 102,000 | | 7200 | | 12 |
| | 4 | 12000 Hour | \$ 94,200 | | 12000 | | 12 |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|---------------|-------------------------------|---------------------------|--------------------|--------|-------|
| | | | | | | | |
| | 1 | Slab Actuator | \$ 2,475 | | 600 | | |
| | 2 | Generator (2) | \$ 5,200 | | 2000 | | |
| | 3 | | | | | | |
| | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

| | | | | | | |
|--------------------|--|------------|---------------|-----------|--|--|
| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|--|------------|---------------|-----------|--|--|

Life Cycle Cost 2000

| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
|----|------------------------|--------------|----------|-------|--------|-------|
| 1 | NG Gear Strut Actuator | \$ 28,600 | | | 20000 | |
| 2 | MG Gear Strut Actuator | \$ 63,800 | | | 9000 | |
| 3 | Control Syst Cables | \$ 6,600 | | 2400 | | |
| 4 | Spoiler Ass'y | \$ 11,000 | | 3600 | | |
| 5 | Generator Bearing (2) | \$ 4,200 | | 1000 | | |
| 6 | Windshield (2) | \$ 77,000 | 0.14 | | | |
| 7 | 20000 Hr Items | \$ 330,000 | | 20000 | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | Cycles | Years |
|-----------------------------------|-----------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | | |
| Inspection | 1 MPI | \$ 62,188 | | 1400 | | |
| | 2 CZI | \$ 194,583 | | 4200 | | |
| | 3 S/B Allowance | \$ 60,000 | | 4200 | | |
| 4 | | | | | | |
| 5 | | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| | 6 | | | | | |
| | 7 | | | | | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

Learjet 35/36

Database Date: Jan-00

Life Cycle Cost 2000

FINANCIAL ANALYSIS (Page 1)

20-Jul-00

DOE AL N135DE

Government

Make/Model:

Used

Learjet 35/36

Acquisition:

Purchase

325 Hours/Year

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------------|---|------|------|------|------|------|------|------|------|------|------|
| Revenue: | | | | | | | | | | | |
| Sales (Flt Hr) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales (Month) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Sale | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---------------------------------|----------------|------|------|------|------|------|------|------|------|------|------|
| Cost Without Tax Impact: | | | | | | | | | | | |
| Acquisition Cost | \$ (4,325,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Principal Repayment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (4,325,000) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|------------------------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Cost With Tax Impact: | | | | | | | | | | | |
| Sales Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use Tax (Lease Only) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Variable Cost | \$ (311,100) | \$ (312,816) | \$ (559,974) | \$ (342,912) | \$ (341,701) | \$ (348,735) | \$ (374,172) | \$ (369,103) | \$ (383,201) | \$ (406,421) | \$ (396,522) |
| Fixed Cost | \$ (317,506) | \$ (325,444) | \$ (333,580) | \$ (341,920) | \$ (350,468) | \$ (359,229) | \$ (368,210) | \$ (377,415) | \$ (386,851) | \$ (396,522) | \$ (406,421) |
| Operations Overhead | \$ (83,752) | \$ (85,846) | \$ (87,992) | \$ (90,192) | \$ (92,447) | \$ (94,758) | \$ (97,127) | \$ (99,555) | \$ (102,044) | \$ (104,595) | \$ (107,146) |
| Admin Overhead (G&A) | \$ (64,641) | \$ (66,257) | \$ (67,913) | \$ (69,611) | \$ (71,352) | \$ (73,135) | \$ (74,964) | \$ (76,838) | \$ (78,759) | \$ (80,728) | \$ (82,744) |
| Depreciation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lease Payments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ (776,999) | \$ (790,363) | \$ (1,049,460) | \$ (844,635) | \$ (855,966) | \$ (875,857) | \$ (914,472) | \$ (922,911) | \$ (950,854) | \$ (988,266) | \$ (988,266) |

| | | | | | | | | | | | |
|--------------------|------|------|------|------|------|------|------|------|------|------|------|
| Tax Impact: | | | | | | | | | | | |
| Income Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Gains Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|
| After Tax - | | | | | | | | | | | |
| Total Cash Flow: | \$ (4,325,000) | \$ (776,999) | \$ (790,363) | \$ (1,049,460) | \$ (844,635) | \$ (855,966) | \$ (875,857) | \$ (914,472) | \$ (922,911) | \$ (950,854) | \$ (988,266) |
| Operating Cash Flow: | \$ (776,999) | \$ (790,363) | \$ (1,049,460) | \$ (844,635) | \$ (855,966) | \$ (875,857) | \$ (914,472) | \$ (922,911) | \$ (950,854) | \$ (988,266) | \$ (988,266) |
| Present Value of Total Cash Flow | \$ (776,999) | \$ (790,363) | \$ (1,049,460) | \$ (844,635) | \$ (855,966) | \$ (875,857) | \$ (914,472) | \$ (922,911) | \$ (950,854) | \$ (988,266) | \$ (988,266) |
| Net Present Value: | \$ (4,325,000) | \$ (5,101,999) | \$ (5,892,362) | \$ (6,941,822) | \$ (7,786,456) | \$ (8,642,423) | \$ (9,518,280) | \$ (10,432,752) | \$ (11,355,663) | \$ (12,306,517) | \$ (13,294,783) |

Life Cycle Cost 2000

(Page 2) FINANCIAL ANALYSIS

Used Learjet 35/36

| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | Year |
|----|----|----|----|----|----|----|----|----|----|-------|----------------|
| \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | Revenues |
| - | - | - | - | - | - | - | - | - | - | - | Sales (Flt Hr) |
| - | - | - | - | - | - | - | - | - | - | - | Sales (Month) |
| - | - | - | - | - | - | - | - | - | - | - | Aircraft Sale |
| - | - | - | - | - | - | - | - | - | - | - | Total |

| | | | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|-------------|--------------------------|
| \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | Cost Without Tax Impact: |
| - | - | - | - | - | - | - | - | - | - | (4,325,000) | Acquisition Cost |
| - | - | - | - | - | - | - | - | - | - | - | Principal Repayment |
| - | - | - | - | - | - | - | - | - | - | - | Final Payment |
| - | - | - | - | - | - | - | - | - | - | (4,325,000) | Total |

| | | | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|-------------|-----------------------|
| \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | Cost With Tax Impact: |
| - | - | - | - | - | - | - | - | - | - | - | Sales Tax |
| - | - | - | - | - | - | - | - | - | - | - | Charter Tax |
| - | - | - | - | - | - | - | - | - | - | (3,750,135) | Variable Cost |
| - | - | - | - | - | - | - | - | - | - | (3,557,144) | Fixed Cost |
| - | - | - | - | - | - | - | - | - | - | (938,306) | Operations Overhead |
| - | - | - | - | - | - | - | - | - | - | (724,198) | Admin Overhead (G&A) |
| - | - | - | - | - | - | - | - | - | - | - | Depreciation |
| - | - | - | - | - | - | - | - | - | - | - | Interest |
| - | - | - | - | - | - | - | - | - | - | - | Lease Payments |
| - | - | - | - | - | - | - | - | - | - | (8,969,783) | Total |

| | | | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|----|-------------------|
| \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | Tax Impact: |
| - | - | - | - | - | - | - | - | - | - | - | Income Tax |
| - | - | - | - | - | - | - | - | - | - | - | Capital Gains Tax |
| - | - | - | - | - | - | - | - | - | - | - | Total |

| | | | | | | | | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------------|
| \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | After Tax - |
| - | - | - | - | - | - | - | - | - | - | (13,294,783) | Total Cash Flow: |
| - | - | - | - | - | - | - | - | - | - | (8,969,783) | Operating Cash Flow: |
| - | - | - | - | - | - | - | - | - | - | (8,969,783) | Present Value: |
| (13,294,783) | (13,294,783) | (13,294,783) | (13,294,783) | (13,294,783) | (13,294,783) | (13,294,783) | (13,294,783) | (13,294,783) | (13,294,783) | (13,294,783) | Net Present Value |

Life Cycle Cost 2000

FINANCIAL ANALYSIS SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N135DE

Type of Operation: **Government**

Make/Model: **Used Learjet 35/36** Acquisition: **Purchase**

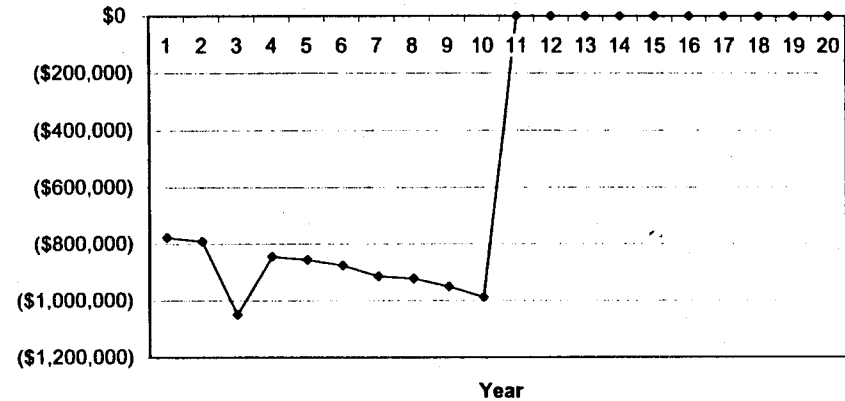
Program Length: **10 Years** Date: **20-Jul-00**

| Financial Information: | | Depreciation: | |
|------------------------|--------------|-----------------|--------------------|
| Capital Gains Tax | 0 % | Method: | Straightline |
| Corp Tax Rate: | 0 % | Term: | 10 |
| Desired ROI: | 0 % | Residual: | 110 |
| Interest Rate: | 0 % | | |
| Inflation Rate: | 2.5 % | | |
| Ops Overhead: | 0 % | + | \$ 83,752.00 /Year |
| Admin Overhead: | 0 % | + | \$ 64,641.00 /Year |
| Revenue: | \$ - | /Ft Hr. + | \$ - /Mo |
| Revenue Hours: | \$ - | Hrs/Yr. | |
| Flight Hours: | 325 | Hrs/Yr. | |
| Acquisition Cost: | \$ 4,325,000 | Residual Value: | \$ - |

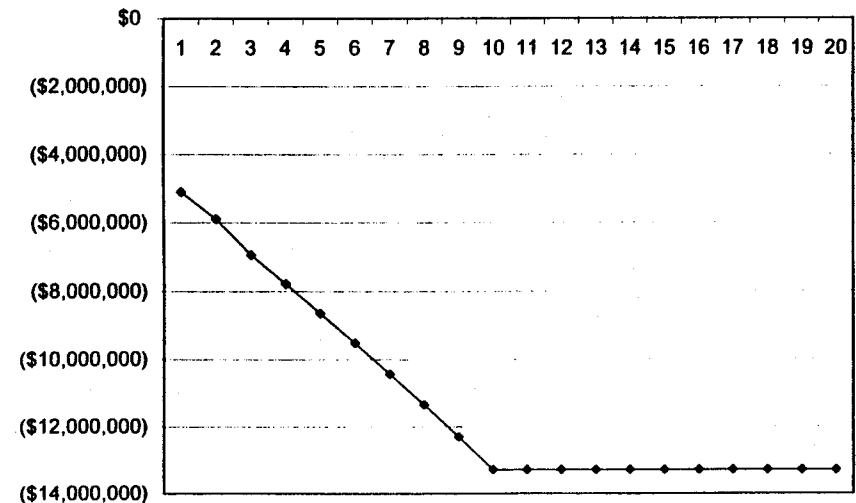
| Year | Revenue | Expenses + Depreciation | Tax Impact + Depreciation | After Tax Cash Flow |
|-----------------------|----------------|---------------------------|---------------------------|---------------------|
| Acquisition Cost 0 | \$ - | \$ (4,325,000) | \$ - | \$ (4,325,000) |
| 1 | \$ - | \$ (776,999) | \$ - | \$ (776,999) |
| 2 | \$ - | \$ (790,363) | \$ - | \$ (790,363) |
| 3 | \$ - | \$ (1,049,460) | \$ - | \$ (1,049,460) |
| 4 | \$ - | \$ (844,635) | \$ - | \$ (844,635) |
| 5 | \$ - | \$ (855,966) | \$ - | \$ (855,966) |
| 6 | \$ - | \$ (875,857) | \$ - | \$ (875,857) |
| 7 | \$ - | \$ (914,472) | \$ - | \$ (914,472) |
| 8 | \$ - | \$ (922,911) | \$ - | \$ (922,911) |
| 9 | \$ - | \$ (950,854) | \$ - | \$ (950,854) |
| 10 | \$ - | \$ (988,266) | \$ - | \$ (988,266) |
| 11 | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ - | \$ - | \$ - | \$ - |
| 16 | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ - | \$ - | \$ - | \$ - |
| 19 | \$ - | \$ - | \$ - | \$ - |
| 20 | \$ - | \$ - | \$ - | \$ - |
| Total: | \$ - | \$ (13,294,783) | \$ - | \$ (13,294,783) |
| Investment: | \$ 4,325,000 | | | |
| Present Value: | \$ (8,969,783) | Net Present Value: | | \$ (13,294,783) |

After Tax Cash Flow From Operations

(Excludes Acquisition Cost of Aircraft)



Cumulative Total Discounted Cash Flow



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

20-Jul-00

(Page 2)

DOE AL N135DE

Government

Make/Model:

Used

Learjet 35/36

Acquisition: Purchase

325 Hours/Year

Aircraft Value:

\$

-

Residual Value: \$

-

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|---------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | \$ | 90,188 | \$ 92,442 | \$ 94,753 | \$ 97,122 | \$ 99,550 | \$ 102,039 | \$ 104,590 | \$ 107,205 | \$ 109,885 | \$ 112,632 | \$ 1,010,405 |
| Fuel Additives | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | \$ | 60,055 | \$ 61,556 | \$ 63,095 | \$ 64,673 | \$ 66,289 | \$ 67,947 | \$ 69,645 | \$ 71,387 | \$ 73,171 | \$ 75,000 | \$ 672,819 |
| Parts | \$ | 45,665 | \$ 47,587 | \$ 49,176 | \$ 51,225 | \$ 53,346 | \$ 55,971 | \$ 58,695 | \$ 61,519 | \$ 64,912 | \$ 68,435 | \$ 556,531 |
| Inspections | \$ | - | \$ - | \$ 224,781 | \$ 2,908 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 227,689 |
| Engine Restoral | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | \$ | 69,804 | \$ 71,549 | \$ 73,337 | \$ 75,171 | \$ 77,050 | \$ 78,976 | \$ 80,951 | \$ 82,974 | \$ 85,049 | \$ 87,175 | \$ 782,035 |
| Avionics Guaranteed Mx Plan | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | \$ | 2,475 | \$ - | \$ 2,600 | \$ 5,600 | \$ 2,732 | \$ - | \$ 2,870 | \$ - | \$ 3,016 | \$ 9,585 | \$ 28,878 |
| Life Limited Components (All) | \$ | 7,704 | \$ 3,591 | \$ 15,238 | \$ 8,296 | \$ 3,867 | \$ 3,964 | \$ 16,588 | \$ 4,165 | \$ 4,269 | \$ 9,621 | \$ 77,301 |
| Other Services | | | | | | | | | | | | |
| Flight Hour Cost | \$ | 445 | \$ 456 | \$ 468 | \$ 479 | \$ 491 | \$ 504 | \$ 516 | \$ 529 | \$ 542 | \$ 556 | \$ 4,988 |
| Fixed Cost | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | \$ | 2,350 | \$ 2,408 | \$ 2,469 | \$ 2,530 | \$ 2,594 | \$ 2,659 | \$ 2,725 | \$ 2,793 | \$ 2,863 | \$ 2,935 | \$ 26,325 |
| Crew Expenses | \$ | 32,416 | \$ 33,226 | \$ 34,057 | \$ 34,908 | \$ 35,781 | \$ 36,675 | \$ 37,592 | \$ 38,532 | \$ 39,495 | \$ 40,483 | \$ 363,163 |
| Small Supplies | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | \$ | 311,100 | \$ 312,816 | \$ 559,974 | \$ 342,912 | \$ 341,701 | \$ 348,735 | \$ 374,172 | \$ 369,103 | \$ 383,201 | \$ 406,421 | \$ 3,750,135 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|---------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | \$ | 124,394 | \$ 127,504 | \$ 130,691 | \$ 133,959 | \$ 137,308 | \$ 140,740 | \$ 144,259 | \$ 147,865 | \$ 151,562 | \$ 155,351 | \$ 1,393,633 |
| Maintenance Technicians | \$ | 41,227 | \$ 42,258 | \$ 43,314 | \$ 44,397 | \$ 45,507 | \$ 46,645 | \$ 47,811 | \$ 49,006 | \$ 50,231 | \$ 51,487 | \$ 461,882 |
| Other | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | \$ | 49,686 | \$ 50,928 | \$ 52,202 | \$ 53,507 | \$ 54,844 | \$ 56,215 | \$ 57,621 | \$ 59,061 | \$ 60,538 | \$ 62,051 | \$ 556,655 |
| Hangar | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | \$ | 1,230 | \$ 1,261 | \$ 1,292 | \$ 1,325 | \$ 1,358 | \$ 1,392 | \$ 1,426 | \$ 1,462 | \$ 1,499 | \$ 1,536 | \$ 13,780 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | \$ | 95,406 | \$ 97,791 | \$ 100,236 | \$ 102,742 | \$ 105,310 | \$ 107,943 | \$ 110,642 | \$ 113,408 | \$ 116,243 | \$ 119,149 | \$ 1,068,870 |
| Management Fee | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | \$ | 5,563 | \$ 5,702 | \$ 5,845 | \$ 5,991 | \$ 6,141 | \$ 6,294 | \$ 6,451 | \$ 6,613 | \$ 6,778 | \$ 6,947 | \$ 62,324 |
| Comp Maint Service | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | \$ | 317,506 | \$ 325,444 | \$ 333,580 | \$ 341,920 | \$ 350,468 | \$ 359,229 | \$ 368,210 | \$ 377,415 | \$ 386,851 | \$ 396,522 | \$ 3,557,144 |

| | | | | | | | | | | | | |
|-------------------------------|----|---------|------------|-----------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Finance/Lease Cost | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ | 83,752 | \$ 85,846 | \$ 87,992 | \$ 90,192 | \$ 92,447 | \$ 94,758 | \$ 97,127 | \$ 99,555 | \$ 102,044 | \$ 104,595 | \$ 938,306 |
| Administrative Overhead (G&A) | \$ | 64,641 | \$ 66,257 | \$ 67,913 | \$ 69,611 | \$ 71,352 | \$ 73,135 | \$ 74,964 | \$ 76,838 | \$ 78,759 | \$ 80,728 | \$ 724,198 |
| Total Annual Cost | \$ | 776,999 | \$ 790,363 | ##### | \$ 844,635 | \$ 855,966 | \$ 875,857 | \$ 914,472 | \$ 922,911 | \$ 950,854 | \$ 988,266 | \$ 8,969,783 |

Life Cycle Cost 2000

Cost Of Ownership Analysis

| | | |
|--------------------|---------------|-----------|
| For: | Add Lear | 20-Jul-00 |
| Aircraft: | Learjet 35/36 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: Lear 35 Future Fleet GOCO

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE AL N135DE

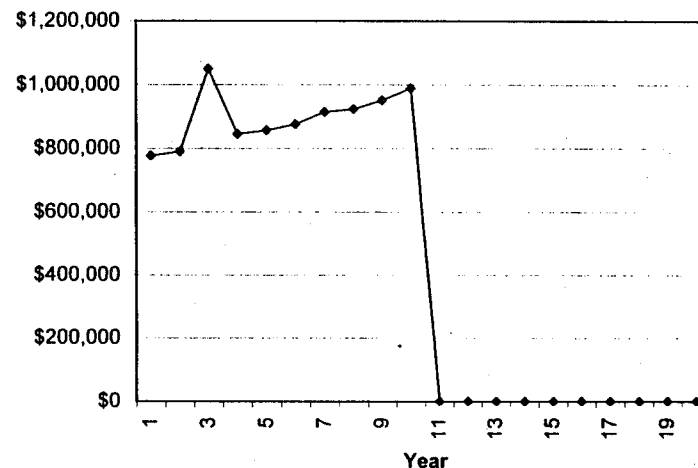
Type of Operation: **Government**

Make/Model: **Used Learjet 35/36** Date: **20-Jul-00**

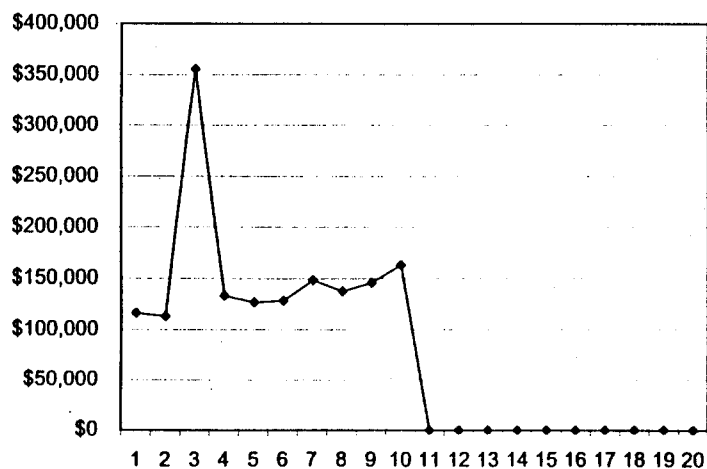
Program Length: **10 Years** Acquisition: **Purchase**

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 325 | | Purchase Price | \$ 4,325,000 | |
| Cycles/Hour | 0.8 | | State Sales Tax: | \$ - | |
| Residual Value | 110 | % | Spares + Tooling | \$ - | |
| MX Labor Rate | \$ 61.76 | /MH | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ - | |
| | | | Total | \$ 4,325,000 | |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 2767 | | Finance Cost/Year | \$ - | |
| Total Years | 9 | | Final Payment | \$ - | |
| Total Cycles | 2212 | | Lease Cost/Year | \$ - | |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 3,750,135 | \$ 375,013 | \$ 1,154 | \$ 2.70 |
| Total Fixed Cost | | \$ 3,557,144 | \$ 355,714 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,662,503 | \$ 166,250 | | |
| Total Cost: | | \$ 8,969,783 | \$ 896,978 | \$ 2,760 | \$ 6.45 |
| Annual Budget: | Year 1 | \$ 776,999 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 790,363 | Year 12 | \$ - | |
| | Year 3 | \$ 1,049,460 | Year 13 | \$ - | |
| | Year 4 | \$ 844,635 | Year 14 | \$ - | |
| | Year 5 | \$ 855,966 | Year 15 | \$ - | |
| | Year 6 | \$ 875,857 | Year 16 | \$ - | |
| | Year 7 | \$ 914,472 | Year 17 | \$ - | |
| | Year 8 | \$ 922,911 | Year 18 | \$ - | |
| | Year 9 | \$ 950,854 | Year 19 | \$ - | |
| | Year 10 | \$ 988,266 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | Name: | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|-------|----------------------------|---------------------------|--------------------|--------|-------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
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| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | Name: | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|-------|----------------------------|---------------------------|--------------------|--------|-------|
| Inspection | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
| | 4 | | | | | |
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Maintenance Cost Data

--

Database Date:

Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

7-Jun-00

(Page 2)

DOE AL N162DE

Government

Make/Model: Used -- Acquisition: Purchase 313.67 Hours/Year

Aircraft Value: \$ Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 31,966 | \$ 32,655 | \$ 33,472 | \$ 34,308 | \$ 35,166 | \$ 36,045 | \$ 36,946 | \$ 37,870 | \$ 38,817 | \$ 39,787 | \$ 367,033 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 65,913 | \$ 67,661 | \$ 69,260 | \$ 70,981 | \$ 72,766 | \$ 74,575 | \$ 76,439 | \$ 78,360 | \$ 80,309 | \$ 82,316 | \$ 738,449 |
| Parts | | \$ 29,976 | \$ 30,725 | \$ 31,494 | \$ 32,281 | \$ 33,088 | \$ 33,915 | \$ 34,763 | \$ 35,632 | \$ 36,523 | \$ 37,436 | \$ 335,833 |
| Inspections | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Engine Guaranteed Mx Plan | | \$ 30,655 | \$ 31,421 | \$ 32,206 | \$ 33,012 | \$ 33,837 | \$ 34,683 | \$ 35,560 | \$ 36,439 | \$ 37,360 | \$ 38,283 | \$ 343,436 |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Life Limited Components (All) | | \$ 935 | \$ 958 | \$ 982 | \$ 1,007 | \$ 1,032 | \$ 1,058 | \$ 1,084 | \$ 1,111 | \$ 1,139 | \$ 1,168 | \$ 10,475 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 411 | \$ 421 | \$ 432 | \$ 442 | \$ 453 | \$ 465 | \$ 478 | \$ 488 | \$ 500 | \$ 513 | \$ 4,602 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 755 | \$ 2,324 | \$ 2,382 | \$ 2,441 | \$ 2,502 | \$ 2,565 | \$ 2,629 | \$ 2,695 | \$ 2,762 | \$ 2,831 | \$ 23,887 |
| Crew Expenses | | \$ 5,662 | \$ 32,067 | \$ 32,869 | \$ 33,680 | \$ 34,522 | \$ 35,385 | \$ 36,270 | \$ 37,177 | \$ 38,108 | \$ 39,059 | \$ 324,678 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 166,172 | \$ 198,123 | \$ 203,076 | \$ 208,153 | \$ 213,357 | \$ 218,891 | \$ 224,158 | \$ 229,782 | \$ 235,606 | \$ 241,394 | \$ 2,138,391 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Pilot/Flight Crew | | \$ 107,344 | \$ 110,028 | \$ 112,778 | \$ 115,598 | \$ 118,488 | \$ 121,450 | \$ 124,488 | \$ 127,598 | \$ 130,788 | \$ 134,068 | \$ 1,202,616 |
| Maintenance Technicians | | \$ 42,529 | \$ 43,692 | \$ 44,682 | \$ 45,799 | \$ 46,944 | \$ 48,118 | \$ 49,321 | \$ 50,564 | \$ 51,817 | \$ 53,113 | \$ 476,468 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 37,381 | \$ 38,082 | \$ 39,034 | \$ 40,010 | \$ 41,011 | \$ 42,036 | \$ 43,087 | \$ 44,164 | \$ 45,268 | \$ 46,400 | \$ 418,473 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 1,230 | \$ 1,261 | \$ 1,292 | \$ 1,325 | \$ 1,358 | \$ 1,392 | \$ 1,426 | \$ 1,462 | \$ 1,499 | \$ 1,536 | \$ 13,780 |
| Miscellaneous | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Training Pilot/Maint | | \$ 60 | \$ 61 | \$ 63 | \$ 64 | \$ 65 | \$ 67 | \$ 68 | \$ 69 | \$ 71 | \$ 72 | \$ 680 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int./Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 1,418 | \$ 1,451 | \$ 1,488 | \$ 1,525 | \$ 1,563 | \$ 1,602 | \$ 1,642 | \$ 1,683 | \$ 1,725 | \$ 1,768 | \$ 15,864 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 189,950 | \$ 194,466 | \$ 199,327 | \$ 204,310 | \$ 209,418 | \$ 214,654 | \$ 220,020 | \$ 225,520 | \$ 231,168 | \$ 236,937 | \$ 2,125,761 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 237,226 | \$ 243,166 | \$ 249,235 | \$ 255,465 | \$ 261,852 | \$ 268,398 | \$ 275,108 | \$ 281,986 | \$ 289,036 | \$ 296,262 | \$ 303,662 | \$ 2,667,722 |
| Administrative Overhead (G&A) | \$ 71,080 | \$ 72,857 | \$ 74,678 | \$ 76,545 | \$ 78,459 | \$ 80,420 | \$ 82,431 | \$ 84,492 | \$ 86,604 | \$ 88,769 | \$ 90,986 | \$ 796,336 |
| Total Annual Cost | \$ 664,427 | \$ 708,601 | \$ 726,316 | \$ 744,474 | \$ 763,086 | \$ 782,163 | \$ 801,717 | \$ 821,760 | \$ 842,304 | \$ 863,362 | \$ 884,937 | \$ 7,718,211 |

Life Cycle Cost 2000

Maintenance Cost Data

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|--------------|
| Airframe: | 0.00 | Airframe: | \$ 51.86 /FH |
| Engine: | 0.00 | Engine: | \$ - |
| Avionics: | 0.00 | Avionics: | \$ - |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|-----|-----------|----|------|----|
| Engine: | Yes | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|-------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | | | | | | |
| | 2 | | | | | | |
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| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|-------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | | | | | | |
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Cost Of Ownership Analysis

For: DOE AL N162DE 7-Jun-00

Aircraft: --

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: Dash 6 Present Fleet - Costs Normalized

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N162DE

Type of Operation: Government

Make/Model: Used --

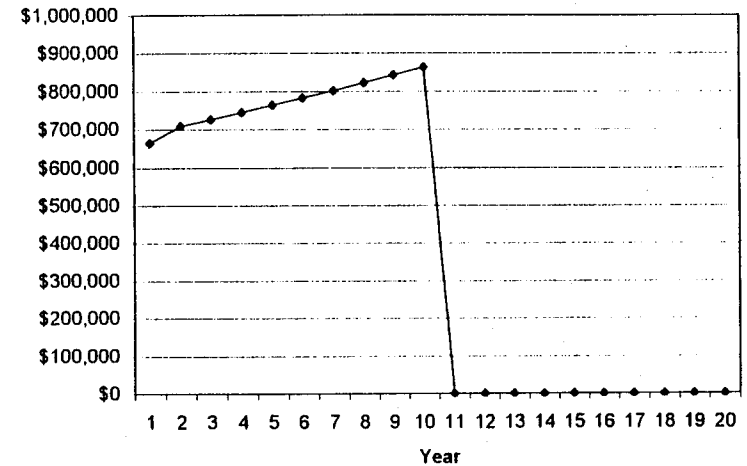
Date: 7-Jun-00

Program Length: 10 Years

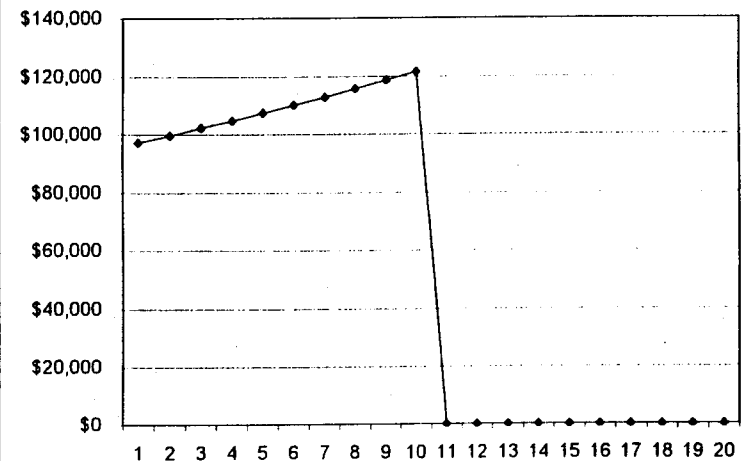
Acquisition: Purchase

| | | | | | |
|-------------------------------|--------------|--------------------------------------|------------------|------------------|---------------------|
| Program Data: | | Acquisition Cost + Sales Tax: | | | |
| Hrs/Year | 313.57 | Purchase Price | \$ 1,010,000 | | |
| Cycles/Hour | 1.56 | State Sales Tax: | \$ - | | |
| Residual Value | 130 % | Spares + Tooling: | \$ - | | |
| MX Labor Rate | \$ 65.00 /MH | Initial Training: | \$ - | | |
| Fuel Cost | \$ 1.27 /GAL | Trade-in/Other: | \$ - | | |
| | | Total | \$ 1,010,000 | | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 20781 | Finance Cost/Year | \$ - | | |
| Total Years | 26 | Final Payment | \$ - | | |
| Total Cycles | 32400 | Lease Cost/Year | \$ - | | |
| Ave Inflation: | 2.50% /Year | Insured Value: | \$ - | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 2,138,391 | \$ 213,839 | \$ 682 | ?? |
| Total Fixed Cost | | \$ 2,125,761 | \$ 212,576 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 3,454,059 | \$ 345,406 | | |
| Total Cost: | | \$ 7,718,211 | \$ 771,821 | \$ 2,461 | ?? |
| Annual Budget: | Year 1 | \$ 664,427 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 708,601 | Year 12 | \$ - | |
| | Year 3 | \$ 726,316 | Year 13 | \$ - | |
| | Year 4 | \$ 744,474 | Year 14 | \$ - | |
| | Year 5 | \$ 763,086 | Year 15 | \$ - | |
| | Year 6 | \$ 782,163 | Year 16 | \$ - | |
| | Year 7 | \$ 801,717 | Year 17 | \$ - | |
| | Year 8 | \$ 821,760 | Year 18 | \$ - | |
| | Year 9 | \$ 842,304 | Year 19 | \$ - | |
| | Year 10 | \$ 863,362 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----------------|----------------------------|---------------------------|--------------------|--------|-------|
| | Name: | | | | | |
| 1 | Windshield (2) | \$ 108,000 | 0.28 | | | |
| 2 | | | | | | |
| 3 | | | | | | |
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| Engine Restoral/Heavy Maintenance | | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|-------------------------|----------------------------|---------------------------|--------------------|--------|-------|
| | Name: | | | | | |
| Inspection | 1 H.S.I (First Run) | \$ 200,000 | | 3500 | | 10 |
| | 2 Overhaul (First Run) | \$ 410,000 | | 7000 | | 20 |
| | 3 H.S.I (Second Run) | \$ 50,000 | | 10500 | | 30 |
| | 4 Overhaul (Second Run) | \$ 40,000 | | 14000 | | 40 |
| | 5 | | | | | |
| Replacement | 1 | | | | | |
| | 2 | | | | | |
| | 3 | | | | | |
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| | 10 | | | | | |

Maintenance Cost Data

Gulfstream III

Database Date: Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

9-Jun-00

(Page 2)

DOE AL N334DD

Government

Make/Model:

Used

Gulfstream III

Acquisition: Purchase

350 Hours/Year

Aircraft Value: \$

Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|
| Fuel | | \$ 244,650 | \$ 250,766 | \$ 257,035 | \$ 263,461 | \$ 270,048 | \$ 276,799 | \$ 283,719 | \$ 290,812 | \$ 298,082 | \$ 305,534 | \$ 2,740,907 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 90,242 | \$ 92,498 | \$ 94,811 | \$ 97,181 | \$ 99,610 | \$ 102,101 | \$ 104,653 | \$ 107,269 | \$ 109,951 | \$ 112,700 | \$ 1,011,016 |
| Parts | | \$ 84,770 | \$ 86,889 | \$ 89,061 | \$ 91,288 | \$ 93,570 | \$ 95,909 | \$ 98,307 | \$ 100,766 | \$ 103,284 | \$ 105,866 | \$ 949,711 |
| Inspections | | \$ 9,250 | \$ 92,378 | \$ 38,821 | \$ 97,066 | \$ 10,210 | \$ 288,085 | \$ 10,727 | \$ 107,130 | \$ 45,020 | \$ 112,554 | \$ 811,230 |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 624,431 | \$ 624,431 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ 137,600 | \$ - | \$ 22,083 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 159,563 |
| Life Limited Components (All) | | \$ 10,584 | \$ 10,849 | \$ 11,120 | \$ 11,398 | \$ 11,683 | \$ 11,975 | \$ 12,274 | \$ 12,581 | \$ 12,896 | \$ 13,218 | \$ 118,577 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 2,531 | \$ 2,594 | \$ 2,659 | \$ 2,725 | \$ 2,793 | \$ 2,863 | \$ 2,935 | \$ 3,008 | \$ 3,083 | \$ 3,160 | \$ 28,350 |
| Crew Expenses | | \$ 34,909 | \$ 35,782 | \$ 36,676 | \$ 37,593 | \$ 38,533 | \$ 39,496 | \$ 40,484 | \$ 41,496 | \$ 42,533 | \$ 43,597 | \$ 391,099 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 614,436 | \$ 671,756 | \$ 652,246 | \$ 600,701 | \$ 626,448 | \$ 817,228 | \$ 553,099 | \$ 663,081 | \$ 614,849 | \$ 1,321,060 | \$ 6,834,884 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 124,394 | \$ 127,504 | \$ 130,691 | \$ 133,959 | \$ 137,308 | \$ 140,740 | \$ 144,259 | \$ 147,865 | \$ 151,562 | \$ 155,351 | \$ 1,393,633 |
| Maintenance Technicians | | \$ 44,398 | \$ 45,508 | \$ 46,646 | \$ 47,812 | \$ 49,007 | \$ 50,232 | \$ 51,488 | \$ 52,775 | \$ 54,095 | \$ 55,447 | \$ 497,408 |
| Other | | \$ 23,706 | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,821 | \$ 27,492 | \$ 28,179 | \$ 28,883 | \$ 29,606 | \$ 265,587 |
| Benefits | | \$ 57,749 | \$ 59,193 | \$ 60,673 | \$ 62,190 | \$ 63,745 | \$ 65,338 | \$ 66,972 | \$ 68,646 | \$ 70,362 | \$ 72,121 | \$ 646,989 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,496 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 26,600 | \$ 27,265 | \$ 27,947 | \$ 28,645 | \$ 29,361 | \$ 30,095 | \$ 30,848 | \$ 31,618 | \$ 32,410 | \$ 33,220 | \$ 298,010 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 66,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 286,479 | \$ 293,641 | \$ 300,982 | \$ 308,507 | \$ 316,220 | \$ 324,125 | \$ 332,228 | \$ 340,534 | \$ 349,047 | \$ 357,774 | \$ 3,209,538 |

| | | | | | | | | | | | | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 90,195 | \$ 92,450 | \$ 94,781 | \$ 97,130 | \$ 99,558 | \$ 102,047 | \$ 104,589 | \$ 107,214 | \$ 109,894 | \$ 112,641 | \$ 1,010,489 | |
| Administrative Overhead (G&A) | \$ 51,682 | \$ 52,974 | \$ 54,298 | \$ 55,656 | \$ 57,047 | \$ 58,473 | \$ 59,935 | \$ 61,434 | \$ 62,969 | \$ 64,544 | \$ 579,013 | |
| Total Annual Cost | \$ 1,042,792 | \$ 1,010,821 | \$ 1,002,288 | \$ 1,061,994 | \$ 999,273 | \$ 1,301,874 | \$ 1,049,861 | \$ 1,172,243 | \$ 1,136,760 | \$ 1,856,019 | \$ 11,633,924 | |

Life Cycle Cost 2000

Maintenance Cost Data

Gulfstream III

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|---------------|
| Airframe: | 3.21 | Airframe: | \$ 242.20 /FH |
| Engine: | 0.00 | Engine: | \$ - |
| Avionics: | 0.00 | Avionics: | \$ - |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | | Inspection Cycle | | Frequency | | Cycles | | Years | |
|-------------|----|----------------------|--|------------------|--|-----------|--|--------|--|-------|--|
| | | Total (Current \$) | | Start (Hrs) | | Hours | | | | | |
| Recurring | 1 | 12 Month | | \$ 9,250 | | | | | | 1 | |
| | 2 | 24 Month | | \$ 90,125 | | | | | | 2 | |
| | 3 | 36 Month | | \$ 20,000 | | | | | | 3 | |
| | 4 | 72 Month | | \$ 118,150 | | | | | | 6 | |
| | 5 | Flight Control Hinge | | \$ 38,650 | | | | | | 6 | |
| | 6 | Wing NDT | | \$ 7,700 | | | | | | 3 | |
| One Time | 7 | | | | | | | | | | |
| | 8 | | | | | | | | | | |
| | 9 | | | | | | | | | | |
| | 10 | | | | | | | | | | |
| | 11 | | | | | | | | | | |
| | 12 | | | | | | | | | | |
| | 1 | | | | | | | | | | |
| | 2 | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

| Component Overhaul | | Overhaul Cost | | Prem Removals | | Frequency | | Cycles | | Years | |
|--------------------|----|---------------------|--|---------------|--|-----------|--|--------|--|-------|--|
| | | (Current \$) | | /1000 HR | | Hours | | | | | |
| | 1 | Landing Gear (3) | | \$ 137,500 | | | | 5000 | | | |
| | 2 | M/G Brace (2) | | \$ 22,000 | | | | 4000 | | | |
| | 3 | Bootstrap Turbine | | \$ 21,000 | | 4000 | | | | | |
| | 4 | Thrust Reverser (2) | | \$ 160,000 | | | | 4000 | | | |
| | 5 | | | | | | | | | | |
| | 6 | | | | | | | | | | |
| | 7 | | | | | | | | | | |
| | 8 | | | | | | | | | | |
| | 9 | | | | | | | | | | |
| | 10 | | | | | | | | | | |
| | 11 | | | | | | | | | | |
| | 12 | | | | | | | | | | |
| | 13 | | | | | | | | | | |
| | 14 | | | | | | | | | | |
| | 15 | | | | | | | | | | |
| | 16 | | | | | | | | | | |
| | 17 | | | | | | | | | | |
| | 18 | | | | | | | | | | |
| | 19 | | | | | | | | | | |
| | 20 | | | | | | | | | | |

Cost Of Ownership Analysis

For: **DOE AL N334DD** 9-Jun-00

Aircraft: **Gulfstream III**

Status: **Used**

Acquisition: **Purchase**

Program length: **10** Years

Type of operation: **Government**

Base of operation: **New Mexico**

Additional state taxes or fees not included in the analysis that may be applicable:

- Aircraft Registration Fee

Notes: **Gulfstream III Future Fleet GOGO**

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE AL N334DD

Type of Operation: Government

Make/Model:

Used

Gulfstream III

Date:

9-Jun-00

Program Length:

10

Years

Acquisition:

Purchase

Program Data:

Hrs/Year

350

Cycles/Hour

0.7

Residual Value

100%

MX Labor Rate

\$ 61.76

/MH

Fuel Cost

\$ 1.50

/GAL

Acquisition Cost + Sales Tax:

Purchase Price

\$ 12,050,000

State Sales Tax:

\$ -

Spares + Tooling:

\$ -

Initial Training:

\$ -

Trade-in/Other:

\$ -

Total

\$ 12,050,000

Airframe Status:

Total Hours

7000

Total Years

18

Total Cycles

4900

Lease/Finance Payments:

Finance Cost/Year

\$ -

Final Payment

\$ -

Lease Cost/Year

\$ -

Ave Inflation:

2.50%

/Year

Insured Value:

\$ -

Life Cycle Cost Total:

Program Total

Cost/Year

Cost/Hour

Cost/St Mile

Total Acquisition + Sales Tax

\$ -

Total Direct Cost

\$ 6,834,884

\$ 683,488

\$ 1,953

\$ 4.44

Total Fixed Cost

\$ 3,209,538

\$ 320,954

Residual Value

\$ -

Total Finance/Lease Cost

\$ -

\$ -

Ops + Admin Overhead

\$ 1,589,502

\$ 158,950

Total Cost:

\$ 11,633,924

\$ 1,163,392

\$ 3,324

\$ 7.55

Annual Budget:

Year 1

\$ 1,042,792

Year 11

\$ -

(No Depreciation)

Year 2

\$ 1,010,821

Year 12

\$ -

Year 3

\$ 1,002,288

Year 13

\$ -

Year 4

\$ 1,061,994

Year 14

\$ -

Year 5

\$ 999,273

Year 15

\$ -

Year 6

\$ 1,301,874

Year 16

\$ -

Year 7

\$ 1,049,861

Year 17

\$ -

Year 8

\$ 1,172,243

Year 18

\$ -

Year 9

\$ 1,136,760

Year 19

\$ -

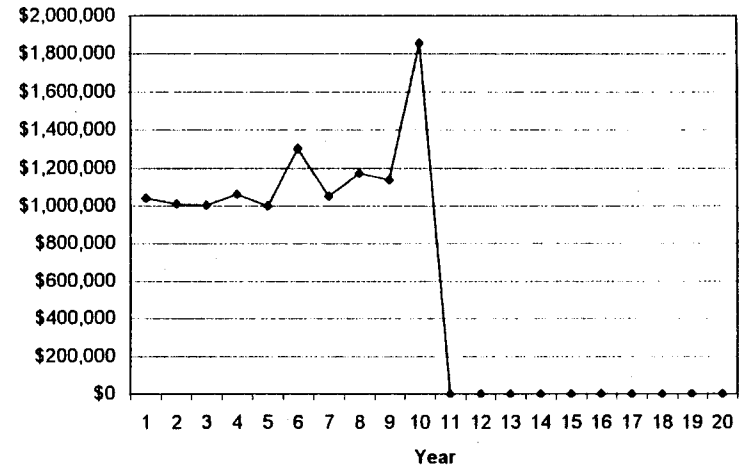
Year 10

\$ 1,856,019

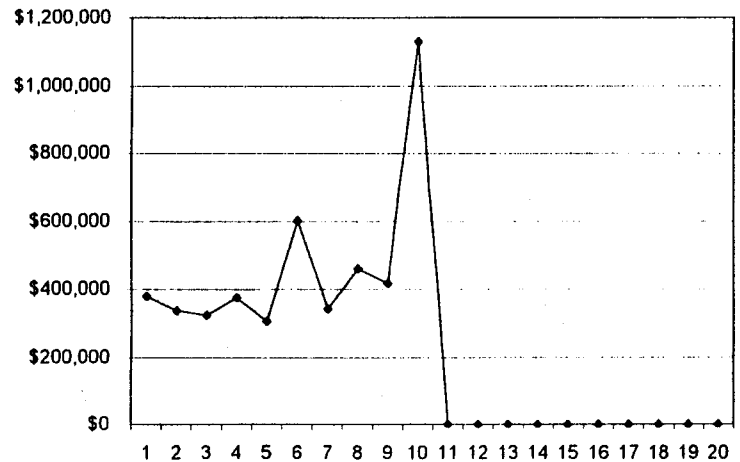
Year 20

\$ -

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

| Life Limited Parts | | Name: | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----------------|-------|----------------------------|---------------------------|--------------------|--------|-------|
| 1 | Windshield (2) | | \$ 108,000 | 0.28 | | | |
| 2 | | | | | | | |
| 3 | | | | | | | |
| 4 | | | | | | | |
| 5 | | | | | | | |
| 6 | | | | | | | |
| 7 | | | | | | | |
| 8 | | | | | | | |
| 9 | | | | | | | |
| 10 | | | | | | | |
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| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | | | | | | | |
| 22 | | | | | | | |
| 23 | | | | | | | |
| 24 | | | | | | | |
| 25 | | | | | | | |
| 26 | | | | | | | |
| 27 | | | | | | | |
| 28 | | | | | | | |
| 29 | | | | | | | |
| 30 | | | | | | | |

| Engine Restoral/Heavy Maintenance | | Name: | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|----|-----------------------|----------------------------|---------------------------|--------------------|--------|-------|
| Inspection | 1 | H.S.I (First Run) | \$ 200,000 | | 3500 | | 10 |
| | 2 | Overhaul (First Run) | \$ 410,000 | | 7000 | | 20 |
| | 3 | H.S.I (Second Run) | \$ 50,000 | | 10500 | | 30 |
| | 4 | Overhaul (Second Run) | \$ 40,000 | | 14000 | | 40 |
| Replacement | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | | | | | | | |
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Maintenance Cost Data

Gulfstream III

Database Date:

Jan-00

Life Cycle Cost 2000

ANNUAL COST

(Page 1)

9-Jun-00

(Page 2)

DOE AL N334DD

Government

Make/Model:

Used

Gulfstream III

Acquisition: Purchase

350 Hours/Year

Aircraft Value: \$

Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|
| Fuel | | \$ 244,660 | \$ 260,766 | \$ 267,035 | \$ 263,461 | \$ 270,048 | \$ 276,799 | \$ 283,719 | \$ 290,812 | \$ 298,082 | \$ 305,534 | \$ 2,740,907 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 90,242 | \$ 92,498 | \$ 94,811 | \$ 97,181 | \$ 99,610 | \$ 102,101 | \$ 104,653 | \$ 107,269 | \$ 109,951 | \$ 112,700 | \$ 1,011,016 |
| Parts | | \$ 84,770 | \$ 86,889 | \$ 89,061 | \$ 91,288 | \$ 93,570 | \$ 95,909 | \$ 98,307 | \$ 100,765 | \$ 103,284 | \$ 105,866 | \$ 949,711 |
| Inspections | | \$ 9,250 | \$ 92,378 | \$ 38,821 | \$ 97,055 | \$ 10,210 | \$ 288,085 | \$ 10,727 | \$ 107,130 | \$ 46,020 | \$ 112,554 | \$ 811,230 |
| Engine Restoral | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 624,431 | \$ 624,431 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ 137,500 | \$ - | \$ 22,063 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 159,563 |
| Life Limited Components (All) | | \$ 10,584 | \$ 10,849 | \$ 11,120 | \$ 11,398 | \$ 11,683 | \$ 11,975 | \$ 12,274 | \$ 12,581 | \$ 12,896 | \$ 13,218 | \$ 118,577 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ 2,531 | \$ 2,594 | \$ 2,659 | \$ 2,725 | \$ 2,793 | \$ 2,863 | \$ 2,935 | \$ 3,008 | \$ 3,083 | \$ 3,160 | \$ 28,350 |
| Crew Expenses | | \$ 34,909 | \$ 35,782 | \$ 36,676 | \$ 37,593 | \$ 38,533 | \$ 39,496 | \$ 40,484 | \$ 41,496 | \$ 42,533 | \$ 43,597 | \$ 391,099 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 614,436 | \$ 671,756 | \$ 652,246 | \$ 600,701 | \$ 626,448 | \$ 617,228 | \$ 653,099 | \$ 663,081 | \$ 614,849 | \$ 1,321,060 | \$ 6,834,884 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 124,394 | \$ 127,504 | \$ 130,691 | \$ 133,959 | \$ 137,308 | \$ 140,740 | \$ 144,259 | \$ 147,865 | \$ 151,562 | \$ 155,351 | \$ 1,393,633 |
| Maintenance Technicians | | \$ 44,398 | \$ 45,508 | \$ 46,646 | \$ 47,812 | \$ 49,007 | \$ 50,232 | \$ 51,488 | \$ 52,775 | \$ 54,095 | \$ 55,447 | \$ 497,408 |
| Other | | \$ 23,706 | \$ 24,299 | \$ 24,906 | \$ 25,529 | \$ 26,167 | \$ 26,821 | \$ 27,492 | \$ 28,179 | \$ 28,883 | \$ 29,606 | \$ 265,587 |
| Benefits | | \$ 57,749 | \$ 59,193 | \$ 60,673 | \$ 62,190 | \$ 63,745 | \$ 65,338 | \$ 66,972 | \$ 68,646 | \$ 70,362 | \$ 72,121 | \$ 646,989 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 3,690 | \$ 3,782 | \$ 3,877 | \$ 3,974 | \$ 4,073 | \$ 4,175 | \$ 4,279 | \$ 4,386 | \$ 4,498 | \$ 4,608 | \$ 41,340 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ 26,600 | \$ 27,265 | \$ 27,947 | \$ 28,645 | \$ 29,361 | \$ 30,095 | \$ 30,848 | \$ 31,619 | \$ 32,410 | \$ 33,220 | \$ 298,010 |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 5,942 | \$ 6,091 | \$ 6,243 | \$ 6,399 | \$ 6,559 | \$ 6,723 | \$ 6,891 | \$ 7,063 | \$ 7,240 | \$ 7,421 | \$ 66,570 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Cost | | \$ 286,479 | \$ 293,641 | \$ 300,982 | \$ 308,507 | \$ 316,220 | \$ 324,125 | \$ 332,228 | \$ 340,534 | \$ 349,047 | \$ 357,774 | \$ 3,209,538 |

| | | | | | | | | | | | | |
|-------------------------------|---------------------|-------------------|-------------------|---------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|--------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 90,195 | \$ 92,450 | \$ 94,761 | \$ 97,130 | \$ 99,558 | \$ 102,047 | \$ 104,599 | \$ 107,214 | \$ 109,894 | \$ 112,641 | \$ 110,489 | \$ 1,010,489 |
| Administrative Overhead (G&A) | \$ 17,476 | \$ 17,913 | \$ 18,361 | \$ 18,820 | \$ 19,290 | \$ 19,772 | \$ 20,267 | \$ 20,773 | \$ 21,293 | \$ 21,825 | \$ 195,790 | \$ 195,790 |
| Total Annual Cost | \$ 1,008,586 | \$ 975,760 | \$ 986,350 | \$ 1,025,158 | \$ 981,516 | \$ 1,263,173 | \$ 1,010,193 | \$ 1,131,582 | \$ 1,095,083 | \$ 1,813,300 | \$ 11,250,701 | |

Life Cycle Cost 2000

Maintenance Cost Data

Gulfstream III

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|---------------|
| Airframe: | 3.21 | Airframe: | \$ 242.20 /FH |
| Engine: | 0.00 | Engine: | \$ - |
| Avionics: | 0.00 | Avionics: | \$ - |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | | Inspection Cycle | Frequency | Cycles | Years |
|-------------|------------------------|--------------------|--|------------------|-----------|--------|-------|
| | | Total (Current \$) | | Start (Hrs) | Hours | | |
| Recurring | 1 12 Month | \$ 9,250 | | | | | 1 |
| | 2 24 Month | \$ 90,125 | | | | | 2 |
| | 3 36 Month | \$ 20,000 | | | | | 3 |
| | 4 72 Month | \$ 118,150 | | | | | 6 |
| | 5 Flight Control Hinge | \$ 38,650 | | | | | 6 |
| | 6 Wing NDT | \$ 7,700 | | | | | 3 |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Overhaul Cost | | Prem Removals | Frequency | Cycles | Years |
|--------------------|---------------------|---------------|--|---------------|-----------|--------|-------|
| | | (Current \$) | | /1000 HR | Hours | | |
| 1 | Landing Gear (3) | \$ 137,500 | | | | 5000 | |
| 2 | M/G Brace (2) | \$ 22,000 | | | | 4000 | |
| 3 | Bootstrap Turbine | \$ 21,000 | | | 4000 | | |
| 4 | Thrust Reverser (2) | \$ 160,000 | | | | 4000 | |
| 5 | | | | | | | |
| 6 | | | | | | | |
| 7 | | | | | | | |
| 8 | | | | | | | |
| 9 | | | | | | | |
| 10 | | | | | | | |
| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | | | | | | | |
| 15 | | | | | | | |
| 16 | | | | | | | |
| 17 | | | | | | | |
| 18 | | | | | | | |
| 19 | | | | | | | |
| 20 | | | | | | | |

MEO STAFFING PLAN

Albuquerque Aviation Operations

| POSITION | NUMBER | GRADE |
|------------------------|--------|-------|
| Chief Pilot | 1 | GS-14 |
| DC-9 Aircraft (3) | | |
| Pilot-In-Command | 3 | GS-14 |
| Pilot | 3 | GS-12 |
| Cabin Attendant | 1.5 | GS-11 |
| Lear 35 (2) | | |
| Pilot-In-Command | 2 | GS-13 |
| Pilot | 2 | GS-12 |
| Gulfstream G-III | | |
| Pilot-In Command | 1 | GS-13 |
| Pilot | 1 | GS-12 |
| Cabin Attendant | 0.5 | GS-11 |
| deHavilland Dash-6 (2) | | |
| Pilot-In -Command | 2 | GS-13 |
| Pilot | 2 | GS-12 |
| Maintenance | | |
| Chief of Maintenance | 1 | GS-13 |
| Quality Assurance | 2 | GS-12 |
| Line Mechanic | 3 | GS-12 |
| Line Mechanic | 6 | GS-11 |
| Ground Support | 2 | GS-7 |
| Operations Overhead | | |
| Program Manager | 1 | GS-15 |
| Flight Operations | 1 | GS-12 |

| POSITION | NUMBER | GRADE |
|--------------------|---------------|--------------|
| Flight Operations | 3 | GS-11 |
| Procurement | 1 | GS-11 |
| Parts/Supply | 2 | GS-9 |
| Records/Analyst | 2 | GS-7 |
| Finance/Accounting | 2 | GS-9 |
| TOTAL | 45 | |

QUALITY ASSURANCE SURVEILLANCE PLAN

| EVALUATION CRITERIA | STANDARD | SANCTION |
|---|--------------|--|
| Aircraft Availability Rate | 98% | Loss of 1/30 th of Incentive Fee for each day when standard is not met. |
| Aircraft Accidents | No Accidents | Cost of physical damages and loss of incentive fee. |
| Personnel Injuries | No Injuries | Negotiated loss of availability |
| Aircraft meet continuous airworthiness requirements | 100% | Negotiated loss of incentive fee or contract termination |
| Flight crews and maintenance personnel qualified and current. | 100% | Negotiated damage or contract termination. |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

Aircraft
DC-9

Based
ALB

Analysis
GOGO/COCO
Adjusted

1st Year
Values

Version
Alpha
Purchase

DIRECT OPERATION COSTS PER FLIGHT HOUR (PFH)

| | | | |
|----|---|----------|------------|
| 1. | Fuel and Lubricants | | \$1,467.75 |
| 2. | Crew Cost (PFH) | | \$0.00 |
| 3. | Aircraft Lease or Rental | | \$0.00 |
| 4. | Landing Fee and Tie-Down | | \$0.00 |
| 5. | Maintenance and Spares | | |
| a. | Labor cost (\$ per hour multiplied by man-hours PFH) | \$123.52 | |
| b. | Reserve for retirement items | \$0.00 | |
| c. | Reserve for engine overhaul and repairs | \$20.00 | |
| d. | Reserve for major component overhaul and other life-limited items | \$0.00 | |
| e. | Reserve for aircraft refurbishment and miscellaneous | \$0.00 | |
| f. | Unscheduled maintenance | \$0.00 | |
| g. | Total direct maintenance and spares | | \$143.52 |
| 6. | Total Direct Operating Cost PFH | | \$1,611.27 |
| 7. | Flight Hours for PWS | | 425 |
| 8. | TOTAL DIRECT OPERATING COST (line 6 multiplied by line 7) | | \$684,790 |

FIXED OPERATION ANNUAL COST

| | | | |
|-----|--|----------|-------------|
| 9. | Crew Costs | | \$286,487 |
| 10. | Maintenance Costs | | \$377,396 |
| 11. | Aircraft Lease | | \$0 |
| 12. | Depreciation | | \$61,606 |
| 13. | Self-Insurance Costs | | |
| a. | Liability | \$19,000 | |
| b. | Casualty | \$0 | |
| c. | Total Self-Insurance Cost | | \$19,000 |
| 14. | Operations Overhead | | \$92,255 |
| 15. | Administrative Overhead | | \$11,977 |
| 16. | Cost of Capital or Finance Expense | | \$385,279 |
| 17. | TOTAL FIXED OPERATING ANNUAL COST (sum lines 9 thru 16) | | \$1,234,000 |
| 18. | TOTAL IN-HOUSE PERFORMANCE COST (line 8 + line 17) | | \$1,918,790 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

Aircraft
DC-9

Based
ALB

Analysis
GOGO|COCO
Adjusted

1st Year
Values

Version
Alpha
Purchase

CONTRACT AVIATION OPERATIONS COST WORKSHEET

| | | |
|-----|--|--------------------|
| 19. | Contract Cost (rate*hrs/yr) | \$2,293,725 |
| 20. | Cost Construction to Meet PWS | |
| a. | Daily availability/guarantee hours | \$0 |
| b. | Additional pilot and crew charges | \$0 |
| c. | Additional maintenance support | \$0 |
| d. | Airframe alteration/equipment installation | \$0 |
| e. | Equipment not provided by Government | \$0 |
| f. | Additional ground service support | \$0 |
| g. | Travel and per diem | \$0 |
| h. | Service equipment mileage | \$0 |
| i. | Airport fees | \$0 |
| j. | Other costs | \$0 |
| 21. | Contract Administration Costs | \$7,596 |
| 22. | One-time Conversion Costs | \$0 |
| 23. | Gain on Disposal/Transfer of Assets (deduct cost) | \$0 |
| 24. | Federal Income Tax (line 19*2% deduct cost) | (\$45,875) |
| 25. | TOTAL CONVERSION & ADMINISTRATIVE COST (sum lines 19-25) | \$2,255,446 |

IN-HOUSE VS CONTRACT PERFORMANCE

10 year analysis

| | Performance periods | | | | TOTAL |
|---|---------------------|-----------|-----------|-------------|--------------|
| | 1st (mil) | 2nd (mil) | 3rd (mil) | add'l (mil) | |
| 26. In-house Performance | \$2.00 | \$2.00 | \$2.01 | \$14.28 | \$20,284,200 |
| 27. Contract Performance | \$2.37 | \$2.44 | \$2.50 | \$19.41 | \$26,724,449 |
| 28. Conversion Differential | | | | | \$47,519 |
| 29. Adjusted Total Cost of Contract Performance | | | | | \$26,771,968 |
| 30. Decision (line 29 minus line 26) | | | | | \$6,487,768 |
| 31. COST COMPARISON DECISION: | Accomplish Work | | | | |
| | In-house | Yes | | | |
| | contract | No | | | |

Analysis Model Developed by
David D. Darling, 303-279-7458
Golden CO 80401,
Version April 2000

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Aircraft
DC-9

Based
ALB

Analysis
GOGO | COCO
Adjusted

Version
Alpha
Purchase

Line-by-Line Front End A-76

| | | START V V | | NOTES |
|--------------------------|--|--------------|-------------|--|
| Fuels & Lubs In 1 | Fuel type | Jet A | | |
| | Consumption (gal/hr) | | 950 | |
| | % DOD | | 100% | |
| | unit cost \$/gal DOD | | \$1.50 | |
| | unit cost \$/gal COMM | | \$2.00 | |
| | Other consumables | | 3% | oil |
| Crew Costs In 2 | Rental rate/day | | \$0.00 | |
| | per diem rate | | \$0.00 | |
| | Number of crew | | 2.833 | |
| | Grade (for overtime) | GS-12 | | |
| | Num hourly crew (a) | | 0 | |
| | Straight time hrs/yr | | 2087 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime factor | | 1.5 | |
| | Num hourly crew (b) | | 0 | |
| | Straight time hrs/yr | | 0 | |
| | Hourly wage rate | | \$0.00 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime rate | | 0 | |
| | Misc/yr | | | |
| | Total variable crew costs | | \$0.00 | |
| | Item b | | \$0.00 | |
| | Item c | | \$0.00 | |
| Lease/Rent In 3 | Lease/Rent Flt Hrs/yr | | | |
| | a plane | | 0 | |
| | b plane | | 0 | |
| | c plane | | 0 | |
| | Lease/Rent rates/hr | | | |
| | a plane | | \$0.00 | |
| | b plane | | \$0.00 | |
| | c plane | | \$0.00 | |
| Landing/Tie-down In 4 | Landing fee /td | | \$0.00 | |
| | Tie-down fee/day | | \$0.00 | |
| Maint/Spare In 5 | Maint labor man-hrs PFH | | 2.0000 | A/C Cost Eval. Adjusted to account for Air |
| | Res for engine restoration PFH | | \$0.00 | |
| | Res for dynamic component & life limited parts PFH | | \$20.00 | |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| Crew Cost Fixed In 9 | Crew (a) | | | |
| | Grade | GS-14 | | |
| | Time allotment % | | 133% | |
| | Training costs \$/yr | | \$12,052.00 | |
| | Crew (b) | | | |
| | Grade | GS-12 | | |
| | Time allotment % | | 100% | |
| | Training costs \$/yr | | \$12,052.00 | |
| | Crew (c) | | | |
| | Grade | GS-11 | | Cabin Safety/Loaders per staffing plan |
| | Time allotment % | | 50% | |
| | Training costs \$/yr | | \$0.00 | |
| Maint Cost In 10 | Airframe,sys,instmt | hrs PFH | 0.00 | |
| | Avionics | hrs PFH | 0.00 | |
| | misc | hrs PFH | 0.00 | |
| | item (d) | hrs PFH | 0.00 | |
| | Material costs | | \$0.00 | |
| | Airframe,sys,instmt | \$ PFH | \$887.99 | Air Can. Cont. |
| | Avionics | \$ PFH | \$0.00 | |
| | misc | \$ PFH | \$0.00 | |
| | item (d) | \$ PFH | \$0.00 | |

WORKSHEET

Version
Alpha
Purchase

[illegible]

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Aircraft | Based | Analysis | Version |
|-----------------------------------|------------------------------|--------------------------|------------------------------|
| DC-9 | ALB | GOGO COCO Adjusted | Alpha Purchase |
| | | Phone | \$0.00 |
| | | Electricity | \$0.00 |
| | | Oil/Gas heat | \$0.00 |
| | | Water | \$0.00 |
| | | Building maintenance /yr | \$0.00 |
| | | misc /yr | \$0.00 |
| Admin Overhead In 15 | Admin (a) | Grade GS-13 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (b) | Grade GS-12 | |
| | | Time allotment % | 15% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (c) | Grade GS-11 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | | Office space /yr | \$0.00 |
| | | Office supplies /yr | \$0.00 |
| | | Utilities /yr | |
| | | Phone | \$0.00 |
| | | Electricity | \$0.00 |
| | | Oil/Gas heat | \$0.00 |
| | | Water | \$0.00 |
| | | Building maintenance /yr | \$0.00 |
| | | misc /yr | \$0.00 |
| Cost Cap/Finance In 16 | Auto-Calculation | | |
| Contract Cost In 19 | Contract vari cost PFH | \$3,138.00 | AL fix & dir NC+ Brian info. |
| | Contract fixed cost PFH | \$2,259.00 | From Brian - 80K/mo |
| Daily Avail/Guar In 20a | Number guar hrs/yr | 0 | |
| | Hourly guar rate | \$0.00 | |
| Add'l Pilot Crew In 20b | Hrs/yr for extra crew | 0 | |
| | Hourly rate | \$0.00 | |
| Add'l Maint In 20c | Hours/yr added maint | 0 | |
| Airfrm Alt/Eqpt Install In 20d | Airframe alts | \$0.00 | |
| | Equipment instal | \$0.00 | |
| None Gov't Eqpt In 20e | Item a | \$0.00 | |
| | Item b | \$0.00 | |
| | Item c | \$0.00 | |
| Add'l Gnd Suprt In 20f | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |
| Travel&/diem In 20g | Per diem rates | \$0.00 | |
| | misc costs | \$0.00 | |
| Servic Eqpt Milage In 20h | Equipment costs (not hourly) | | |
| | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |
| Airport Fees In 20i | Airport fees (ave) \$/trip | \$0.00 | |
| Other costs In 20j | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Aircraft | Based | Analysis | Version |
|----------------------------------|--------------------------|---------------------|----------|
| DC-9 | ALB | GOGO COCO | Alpha |
| | | Adjusted | Purchase |
| Con'tr Admin Costs In 21 | Admin (a) | Grade GS-14 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (b) | Grade GS-13 | |
| | | Time allotment % | 8% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (c) | Grade GS-12 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (d) | Grade GS-9 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (e) | Grade GS-9 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| One-time Conv'n Costs In 22 | Material costs \$/yr | Grade GS-12 | \$0.00 |
| | | Time allocation % | 0% |
| | | Moving | \$0.00 |
| | | Retraining | \$0.00 |
| | | Misc accounts \$/yr | \$0.00 |
| | | Grade GS-12 | |
| | | Time allocation % | 0% |
| | | Moving | \$0.00 |
| | | Retraining | \$0.00 |
| | | Misc accounts \$/yr | \$0.00 |
| | | Grade GS-9 | |
| | | Time allocation % | 0% |
| | | Moving | \$0.00 |
| | | Retraining | \$0.00 |
| | | Misc accounts \$/yr | \$0.00 |
| | Other 1-time costs \$/yr | | \$0.00 |
| Gain on Disp'l/Transfer In 23 | To be sold/trans | no | |
| | Value of aircraft | \$0.00 | |
| | Unpaid balance | \$0.00 | |
| | Cost of disposal | \$0.00 | |
| Conversion Differential In 28 | Auto-Calculation | | |

Update Data

Source: Inflation factors; OMB transmittal number 17; Feb 13, 1997.

Basic National Payscale 1998

Increment over Basic National Payscale

NOTE: MUST SORT DATA
(COLS A&B) IN ASCENDING
ORDER BY COL "A"

NOTE: MUST
SORT DATA
(COLS A&B) IN
ASCENDING
ORDER BY COL
"A"

Source: OMP, 1998

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Common Data

| | |
|---------------------------------------|--------------|
| Version | Alpha |
| Aircraft | DC-9 |
| Based | ALB |
| Hours flown/yr | 425 |
| Legs flown/yr | 531 |
| Nights from base/yr | 0 |
| Salary Benefits | 32.45% |
| Maint labor rate-\$/hr | \$61.76 |
| Period of analysis-yrs (max 10 years) | 10 |
| Current year | 2000 |
| On-line year | 2002 |
| Interest rate | 6.100% |
| Unadjusted analysis? (e.g. startup) | no |
| Government owned? | beginning |
| Government operated? | beginning |
| Analysis | GOGO to COCO |

| | | | |
|--------------------|---------------|--------------|----------|
| Payment instrument | is it "free"? | lease years? | purchase |
| | no | 0 | yes |

Insurance Calculations

| | | | | | |
|------|-----|----|---|-------------|----------|
| DC-9 | jet | 20 | 0 | \$14,000.00 | \$250.00 |
|------|-----|----|---|-------------|----------|

| aircraft | eng type | seats | eng type | hull ins factor | liability ins base | liability ins plus/seat |
|---------------|------------|-------|-------------------|-----------------|--------------------|-------------------------|
| Bell 206B III | helicopter | 5 | helicopter | 6.000% | \$6,000 | \$250 |
| Bell 206L-3 | helicopter | 7 | jet | 0.000% | \$14,000 | \$250 |
| Citation II | jet | 10 | single eng piston | 1.100% | \$575 | \$250 |
| Citation V | jet | 10 | turboprop | 0.550% | \$8,000 | \$250 |
| DC-9 | jet | 20 | Twin eng piston | 1.100% | \$750 | \$250 |

**NOTE: MUST SORT DATA
(COLS A,B&C) IN
ASCENDING ORDER BY
COL "A"**

Source: Based on
PWS
requirements.

I

**NOTE: MUST SORT
DATA (COLS A, B, C
& D) IN ASCENDING
ORDER BY COL "A"**

Source:
GSA Aircraft
Management
Policy Div,
Transmittal
Letter Sep 15,
1997

II

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|----------------------------|--|---|---|--|----------|--|
| \$1,467.75 | <<<< To line 1 >>>> | Total Costs Fuels and Lubricants (PFH) | | | | |
| Analysis | | GOGO | COCO | Adjusted | version | |
| AIRCRAFT | | DC-9 | | | Alpha | |
| Based | | ALB | | | Purchase | |
| Fuel type | | Jet A | | | | |
| Consumption (gal/hr) | | | 950 | | | |
| % DOD | | | 100% | | | |
| unit cost \$/gal | | | \$1.50 | | | |
| | % other | | 0% | | | |
| unit cost \$/gal | | | \$2.00 | | | |
| DOD fuel cost | | \$1,425.00 | (Consumption (gal/hr) * % DOD * unit cost \$/gal DOD) | | | |
| Other fuel cost | | \$0.00 | (Consumption (gal/hr) * % other * unit cost \$/gal other) | | | |
| Total fuel cost PFH | | | \$1,425.00 | | | |
| Other consumables | | 3% | \$42.75 | | | |
| Total costs fuels&lubs PFH | | | \$1,467.75 | (Total fuel cost PFH+Tot lub cost PFH) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|---------------------------|--|-------------------------|------|------------|---|----------|
| \$0.00 | <<<< To line 2 >>>> | Crew Costs (PFH) | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | DC-9 | | | | | Alpha |
| Based | ALB | | | | | Purchase |
| Hours flown/yr | | 425 | | | | |
| Nights from base/yr | | 0 | | | | |
| Rental rate/day | | \$0.00 | | | | |
| Days of car rental | | 0 | | | | |
| per diem rate | | \$0.00 | | | (Nights from base/yr*per diem rate* | |
| Number of crew | | 2.833 | | | Number of crew+car rate*days rented)/ | |
| | | | | \$0.00 PFH | Hours flown/yr | |
| Grade (for overtime) | GS-12 | | | | | |
| Num hourly crew (a) | | 0 | | | | |
| Straight time hrs/yr | | 2087 | | | | |
| Hourly wage rate | | \$28.89 | | | | |
| Overtime hrs/yr | | 0 | | | | |
| Overtime factor | | 1.5 | | | (Num hourly crew (a)*(Straight time hrs/yr* | |
| Overtime rate | | \$43.33 | | | Hourly wage rate+Overtime hrs/yr* | |
| | | | | \$0.00 PFH | Overtime rate)/Hours flown/yr) | |
| Num hourly crew (b) | | 0 | | | | |
| Straight time hrs/yr | | 0 | | | | |
| Hourly wage rate | | \$0.00 | | | | |
| Overtime hrs/yr | | 0 | | | | |
| Overtime factor | | 1.5 | | | (Num hourly crew (a)*(Straight time hrs/yr* | |
| Overtime rate | | 0 | | | Hourly wage rate+Overtime hrs/yr* | |
| | | | | \$0.00 PFH | Overtime rate)/Hours flown/yr) | |
| Misc/yr | | | | | | |
| Total variable crew costs | | \$0.00 | | | | |
| Item b | | \$0.00 | | | | |
| Item c | | \$0.00 | | | | |
| | | | | \$0.00 PFH | ((Item a + Item b + Item c)/hrs) | |
| | | | | \$0.00 PFH | (sum of items above) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|--|----------|
| \$0.00 | <<<< To line 3 >>>> | Total Aircraft Lease or Rental Costs (PFH) | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | DC-9 | | | version |
| Based | ALB | | | Alpha |
| Lease/Rent Flt Hrs/yr | | | | Purchase |
| a plane | | 0 | | |
| b plane | | 0 | | |
| c plane | | 0 | | |
| Total Lse/Rnt Hrs/yr | | | 0 (a plane hrs + b plane hrs + c plane hrs) | |
| Lease/Rent rates/hr | | | | |
| a plane | | \$0.00 | | |
| b plane | | \$0.00 | | |
| c plane | | \$0.00 | | |
| Annual Costs | | | | |
| a plane | | | \$0.00 (a plane hrs* a plane rate) | |
| b plane | | | \$0.00 (b plane hrs* b plane rate) | |
| c plane | | | \$0.00 (c plane hrs* c plane rate) | |
| Total Annual \$Ls/Rt | | | \$0.00 (a plane \$/yr + b plane \$/yr + c plane \$/yr) | |
| | | | \$0.00 PFH (Total \$/yr / Total Flt hrs/yr) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|--------|---------------------------------|
| \$0.00 | <<<< To line 4 >>>> | Total Landing Fee and Tie-Down costs (PFH) | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | DC-9 | | | |
| Based | ALB | | | version |
| Hours flown/yr | | 425 | | Alpha |
| Legs flown/yr | | 531 | | Purchase |
| Landing fee /td | | \$0.00 | | |
| Total landing fee/yr | | | \$0.00 | (landings*landing fee) |
| Nights from base/yr | | 0 | | |
| Tie-down fee/day | | \$0.00 | | |
| Total tie-down fee/yr | | | \$0.00 | (Nights form base*tie-down fee) |
| | | | | PFH ((Tot landing fee + |
| | | | \$0.00 | tot tie-down fee) / hrs/yr) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|--------------------------|---|---|----------|-----|--------------------------|-------------------|
| \$143.52 | <<<< To line 5g >>>> | Total Maintenance and Spares Costs (PFH) | | | | |
| Analysis | | GOGO COCO | Adjusted | | version | |
| AIRCRAFT | DC-9 | | | | Alpha | |
| Based | ALB | | | | Purchase | |
| Hours flown/yr | | 425 | | | | |
| Maint labor man-hrsPFH | | 2.0000 | | | | |
| Labor rate \$/hr | | \$61.76 | | | (Maint labor man-hrsPFH* | |
| | | | \$123.52 | PFH | (5a) | Labor rate \$/hr) |
| Res for retirement items | | | \$0.00 | PFH | (5b) | |
| Res for eng overhl &rpr | | | \$20.00 | PFH | (5c) | |
| Res for maj comp overhl | | | \$0.00 | PFH | (5d) | |
| Res for refurb & misc | | | \$0.00 | PFH | (5e) | |
| Unscheduled Maint | | | \$0.00 | PFH | (5f) | |
| | | | \$143.52 | PFH | | (sum items 5a-5f) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|--------------|----------------------|---------------------|-------------|--------------------|--------------------------|--|
| \$286,487.34 | | <<<< To line 9 >>>> | | Crew Costs (fixed) | | |
| Analysis | | | | GOGO | COCO | Adjusted |
| AIRCRAFT | | | | | | version |
| Based | | | | | | Alpha |
| Crew (a) | | | | | | Purchase |
| | Grade | GS-14 | | | | |
| | Salary | | \$84,711.80 | | | |
| | Time allotment % | | 133% | | | |
| | Benefits %of salary | | 32.45% | | | |
| | Training costs \$/yr | | \$12,052.00 | | | |
| | Tot (a) | | | | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | | | \$161,279.04 | | |
| Crew (b) | | | | | | |
| | Grade | GS-12 | | | | |
| | Salary | | \$60,283.52 | | | |
| | Time allotment % | | 100% | | | |
| | Benefits %of salary | | 32.45% | | | |
| | Training costs \$/yr | | \$12,052.00 | | | |
| | Tot (b) | | | | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | | | \$91,897.52 | | |
| Crew (c) | | | | | | |
| | Grade | GS-11 | | | | |
| | Salary | | \$50,299.39 | | | |
| | Time allotment % | | 50% | | | |
| | Benefits %of salary | | 32.45% | | | |
| | Training costs \$/yr | | \$0.00 | | | |
| | Tot (c) | | | | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | | | \$33,310.77 | | |
| | | | | \$286,487.34 | Total crew costs (fixed) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|------------------------|---|--------------------------|--------------|---------------|-------------------------|
| \$377,395.75 | <<<< To line 10 >>>> | Maintenance Costs | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | DC-9 | | | Alpha |
| Based | | ALB | | | Purchase |
| Hours flown/yr | | 425 | | | |
| labor rate \$/hr | | \$61.76 | | | |
| Sched maint items | | | | | |
| Airframe,sys,instmt | hrs PFH | 0.00 | \$0.00 | | (hrs*rate a*hrsPFH) |
| Avionics | hrs PFH | 0.00 | \$0.00 | | (hrs*rate b*hrsPFH) |
| misc | hrs PFH | 0.00 | \$0.00 | | (hrs*rate c*hrsPFH) |
| item (d) | hrs PFH | 0.00 | \$0.00 | | (hrs*rate d*hrsPFH) |
| Material costs | | | | | |
| Airframe,sys,instmt | \$ PFH | \$887.99 | \$377,395.75 | | |
| Avionics | \$ PFH | \$0.00 | \$0.00 | | |
| misc | \$ PFH | \$0.00 | \$0.00 | | |
| item (d) | \$ PFH | \$0.00 | \$0.00 | | |
| Tot sched maint cost | | | | \$377,395.75 | (sum all maint) |
| Sched inspect items | | \$0.00 | | | |
| Airframe,sys,instmt | hrs PFH | \$0.00 | \$0.00 | | (hrs*rate a*hrsPFH) |
| item (b) | hrs PFH | \$0.00 | \$0.00 | | (hrs*rate b*hrsPFH) |
| item (c) | hrs PFH | \$0.00 | \$0.00 | | (hrs*rate c*hrsPFH) |
| item (d) | hrs PFH | \$0.00 | \$0.00 | | (hrs*rate d*hrsPFH) |
| Tot sched inspect cost | | | | \$0.00 | (sum all inspect items) |
| misc Tot\$ | | | | \$0.00 | |
| | | | | (Sched maint+ | |
| | | | | \$377,395.75 | Sched inspect) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|-----------------------------|----------------------|----------------|----------------|----------------|--------------------------|----------|
| \$0.00 | <<<< To line 11 >>>> | | Aircraft Lease | | | |
| Analysis | | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | | | Alpha |
| Based | ALB | | | | | Purchase |
| Time period - years | | | 10 | | | |
| Costs (current year) | | | | | | |
| Base aircraft | | \$6,000,000.00 | | | | |
| Avionics | | \$0.00 | | | | |
| Total cost (on-line year) | | | | \$6,316,056.00 | (base+avionics inflated) | |
| Capital charge/yr | | | | \$0.00 | (total cost/time period) | |
| Lease charge/yr | | | | | | |
| depreciation | | \$61,605.60 | | | (wrksht 12) | |
| interest | | \$385,279.42 | | | (wrksht 16) | |
| Tot lease charge/yr | | | | \$446,885.02 | (dep+int) | |
| Lease/Purchase charge/yr | | | | | | |
| capital | | \$631,605.60 | | | (total cost/time period) | |
| interest | | \$385,279.42 | | | (wrksht 16) | |
| service charge rate | | 0% | | | | |
| service charge | | \$0.00 | | | (capital*rate) | |
| Tot lease /purchase chrg/yr | | | | \$1,016,885.02 | | |
| Cost free aircraft | | | | \$0.00 | (from above) | |
| | | | | \$0.00 | Purchase | 1 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|----------------------|---|-----------------------|------|-------------|---|----------|
| \$61,605.60 | <<<< To line 12 >>>> | Depreciation | | | | |
| Analysis | | GOGO | COCO | Adjusted | | |
| AIRCRAFT | DC-9 | | | | | Alpha |
| Based | ALB | | | | | Purchase |
| Time period - years | | 10 | | | | |
| Value of aircraft | | | no | | Custom Depreciation? | |
| Purchase w/ avionics | | \$6,316,056.00 | no | | Equation? | |
| Sale w/ avionics | | \$5,700,000.00 | | | | |
| Depreciation/yr | | | | \$61,605.60 | ((Purchase w/ avionics-Sale w/ avionics)/ time period) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------|-------------------|-----------------------|----------------|----------------|-------------------------------------|
| \$19,000.00 | | <<<< To line 13c >>>> | | Self-Insurance | |
| Analysis | | | GOGO | COCO | Adjusted |
| AIRCRAFT | | DC-9 | | | version |
| Based | | ALB | | | Alpha |
| Value of aircraft | | | \$6,316,056.00 | | Purchase |
| Number of seats | | | 20 | | |
| Insurance factors | | | | | |
| | hull | | 0.0000 | | (fm common data cht) |
| | liability (base) | | \$14,000.00 | | (fm common data cht) |
| | liability (/seat) | | \$250.00 | | (fm common data cht) |
| Tot cost hull | | | | \$0.00 | (value of aircraft*hull ins factor) |
| Liability | | | | | |
| | base | | \$14,000.00 | | |
| Tot per seat adder | | | \$5,000.00 | | (liability ins*num of seats) |
| Tot cost liability | | | | \$19,000.00 | (base+seat adder) |
| Total self ins cost | | | | \$19,000.00 | (Tot hull ins+Tot liability ins) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|------------------------|----------------------|---------------------|-------------|-------------|---|
| \$92,255.07 | <<<< To line 14 >>>> | Operations Overhead | | | |
| Analysis | | GOGO COCO | Adjusted | | version |
| AIRCRAFT | DC-9 | | | | Alpha |
| Based | ALB | | | | Purchase |
| Admin (a) | | | | | |
| | Grade GS-14 | | | | |
| | Salary | \$84,711.80 | | | |
| | Time allotment % | 12% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (a) | | \$13,464.09 | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (b) | | | | | |
| | Grade GS-12 | | | | |
| | Salary | \$60,283.52 | | | |
| | Time allotment % | 12% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (b) | | \$9,581.46 | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| Admin (c) | | | | | |
| | Grade GS-11 | | | | |
| | Salary | \$50,299.39 | | | |
| | Time allotment % | 48% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (c) | | \$31,978.34 | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| Admin (d) | | | | | |
| | Grade GS-9 | | | | |
| | Salary | \$41,570.31 | | | |
| | Time allotment % | 48% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (d) | | \$26,428.74 | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| Admin (e) | | | | | |
| | Grade GS-7 | | | | |
| | Salary | \$33,982.75 | | | |
| | Time allotment % | 24% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (e) | | \$10,802.44 | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| Tot personnel | | | | \$92,255.07 | (sum personnel items) |
| Hanger rental | | \$0.00 | | | |
| Home base tie-down fee | | \$0.00 | | | |
| Office space | | \$0.00 | | | |
| Office supplies | | \$0.00 | | | |
| Utilities | | | | | |
| | Phone | \$0.00 | | | |
| | Electricity | \$0.00 | | | |
| | Oil/Gas heat | \$0.00 | | | |
| | Water | \$0.00 | | | |
| Building maintenance | | \$0.00 | | | |
| misc | | \$0.00 | | | |
| Tot non-personnel | | | | \$0.00 | (sum non-persnrl items) |
| | | | | \$92,255.07 | Total ops ovrhd costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|---|------------------|-----------------|---|
| \$11,976.83 | <<<< To line 15 >>>> Administrative Overhead | GOGO COCO | Adjusted | version |
| Analysis | | | | Alpha |
| AIRCRAFT | DC-9 | | | Purchase |
| Based | ALB | | | |
| Admin (a) | | | | |
| | Grade GS-13 | | | |
| | Salary | \$71,686.07 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (a) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (b) | | | | |
| | Grade GS-12 | | | |
| | Salary | \$60,283.52 | | |
| | Time allotment % | 15% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (b) | | \$11,976.83 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (c) | | | | |
| | Grade GS-11 | | | |
| | Salary | \$50,299.39 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (c) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | Tot personnel | | \$11,976.83 | |
| Office space | | \$0.00 | | |
| Office supplies | | \$0.00 | | |
| Utilities | | | | |
| | Phone | \$0.00 | | |
| | Electricity | \$0.00 | | |
| | Oil/Gas heat | \$0.00 | | |
| | Water | \$0.00 | | |
| Building maintenance | | \$0.00 | | |
| misc | | \$0.00 | | |
| Tot non-personnel | | | \$0.00 | |
| | | | \$11,976.83 | Total admin overhead costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|-----------------------------|----------------------|---|--------------|
| \$230,614.34 | <<<< To line 16 >>>> | Cost of Capital or Finance Expense GOGO COCO | |
| Analysis | | | Adjusted |
| AIRCRAFT | DC-9 | | version |
| Based | ALB | | Alpha |
| Value of aircraft | | \$6,316,056.00 | Purchase |
| Time period - years | | 10 | |
| Interest rate | | 6.100% | |
| Annual levelized finan cost | | | \$230,614.34 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-------------------------|----------------------|--|------|--------------|----------|
| \$2,293,725.00 | <<<< To line 19 >>>> | Total Contract Cost | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | | Alpha |
| Based | ALB | | | | Purchase |
| Hours flown/yr | | 425 | | | |
| Contract vari cost PFH | | \$3,138.00 | | | |
| Contract fixed cost PFH | | \$2,259.00 | | | |
| Total cost PFH | | \$5,397.00 | | (vari+fixed) | |
| Total cost | | \$2,293,725.00 (tot cost PFH*Hrs) | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|----------------------------------|----------|
| \$0.00 | <<<< To line 20a >>>> | Daily Availability/Guarantee hours | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | Alpha |
| Based | ALB | | | Purchase |
| Number guar hrs/yr | | 0 | | |
| Hourly guar rate | | \$0.00 | | |
| Tot cost of guarantee | | | \$0.00 (guar hrs/yr*hourly rate) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|--|-----------------------------|----------|
| \$0.00 | <<<< To line 20b >>>> | Additional Pilot and Crew Charges | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | Alpha |
| Based | ALB | | | Purchase |
| Hrs/yr for extra crew | | 0 | | |
| Hourly rate | | \$0.00 | | |
| Tot cost extra crew | | | \$0.00 (hrs/yr*hourly rate) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|-----------------------|---------------------------------------|-----------------------------|----------|
| \$0.00 | <<<< To line 20c >>>> | Additional Maintenance Support | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | Alpha |
| Based | ALB | | | Purchase |
| Hours/yr added maint | | 0 | | |
| Hourly rate | | \$61.76 | | |
| Tot added maint cost | | | \$0.00 (hrs/yr*hourly rate) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|--|--|----------|----------|
| \$0.00 | <<<< To line 20d >>>> | Airframe Alterations/Equipment Installation | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | Alpha |
| Based | ALB | | | Purchase |
| Time period - yrs | | 10 | | |
| Airframe alts | | \$0.00 | | |
| Equipment instal | | \$0.00 | | |
| tot alt/install cost | | \$0.00 (airframe alts+equip install)/yrs | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|--------------------|--|---|----------|----------|
| \$0.00 | <<<< To line 20e >>>> | Equipment not Provided by Government | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | Alpha |
| Based | ALB | | | Purchase |
| Time period - yrs | | 10 | | |
| | Item a | \$0.00 | | |
| | Item b | \$0.00 | | |
| | Item c | \$0.00 | | |
| tot equipment cost | | \$0.00 (item a+Item b+item c)/yrs | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|---------------------------------|--|--|----------|----------|
| \$0.00 | <<<< To line 20f >>>> | Additional Ground Service Support | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | Alpha |
| Based | ALB | | | Purchase |
| | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| tot grnd serv spprt cost | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-------------------------|--|----------------------------|---------------------------------------|----------|
| \$0.00 | <<<< To line 20g >>>> | Travel and per Diem | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | DC-9 | | | version |
| Based | ALB | | | Alpha |
| Nights from base/yr | | | 0 | Purchase |
| Per diem rates | | | \$0.00 | |
| misc costs | | | \$0.00 | |
| tot trav&per diem costs | | | \$0.00 (#nights*per diem+misc) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|------------------------------|--|--------------------------------------|----------|----------|
| \$0.00 | <<<< To line 20h >>>> | Service Equipment Mileage | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | Alpha |
| Based | ALB | | | Purchase |
| Equipment costs (not hourly) | | | | |
| | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| tot eqpt costs | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|----------------------------|-----------------------|--------------|------|----------------------------|----------|
| \$0.00 | <<<< To line 20i >>>> | Airport Fees | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | | Alpha |
| Based | ALB | | | | Purchase |
| Legs flown/yr | | 531 | | | |
| Airport fees (ave) \$/trip | | \$0.00 | | | |
| tot airport/yr | | | | \$0.00 (trips/yr*\$ /trip) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------|-----------------------|-------------------------------|----------|----------|
| \$0.00 | <<<< To line 20j >>>> | Other Costs | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | Alpha |
| Based | ALB | | | Purchase |
| Other costs | | | | |
| | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| tot other costs | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|-------------------|---|--------------------------------------|---|
| \$7,595.86 | <<<< To line 21 >>>> | Contract Administrative Costs | |
| Analysis | | GOGO COCO | Adjusted |
| AIRCRAFT | DC-9 | | version |
| Based | ALB | | Alpha |
| Admin (a) | | | Purchase |
| | Grade GS-14 | | |
| | Salary | \$84,711.80 | |
| | Time allotment % | 0% | |
| | Benefits %of salary | 32.45% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Tot (a) | | (Salary*Time allotment %+ \$0.00 Benefits %of salary+Misc) |
| Admin (b) | | | |
| | Grade GS-13 | | |
| | Salary | \$71,686.07 | |
| | Time allotment % | 8% | |
| | Benefits %of salary | 32.45% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Tot (b) | | (Salary*Time allotment %+ \$7,595.86 Benefits %of salary+Misc) |
| Admin (c) | | | |
| | Grade GS-12 | | |
| | Salary | \$60,283.52 | |
| | Time allotment % | 0% | |
| | Benefits %of salary | 32.45% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Tot (c) | | (Salary*Time allotment %+ \$0.00 Benefits %of salary+Misc) |
| Admin (d) | | | |
| | Grade GS-9 | | |
| | Salary | \$41,570.31 | |
| | Time allotment % | 0% | |
| | Benefits %of salary | 32.45% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Tot (d) | | (Salary*Time allotment %+ \$0.00 Benefits %of salary+Misc) |
| Admin (e) | | | |
| | Grade GS-9 | | |
| | Salary | \$41,570.31 | |
| | Time allotment % | 0% | |
| | Benefits %of salary | 32.45% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Tot (e) | | (Salary*Time allotment %+ \$0.00 Benefits %of salary+Misc) |
| | | \$7,595.86 | Total admin overhead costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------------------------|---|---------------|------|---------------|---------------------------|
| \$0.00 | <<<< To line 22 >>>> One Time Conversion Costs | | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | DC-9 | | | | Alpha |
| Based | ALB | | | | Purchase |
| Time period - yrs | | 10 | | | |
| Material costs \$/yr | | | | \$0.00 | |
| | | | | | |
| Grade GS-12 | | | | | |
| Time allocation % | | 0% | | | |
| Severance | | \$60,283.52 | | | |
| Moving | | \$0.00 | | | |
| Retraining | | \$0.00 | | | |
| Misc accounts \$/yr | | \$0.00 | | | |
| Tot (a) | | | | \$0.00 | (sever+move+retrain+misc) |
| | | | | | |
| Grade GS-12 | | | | | |
| Time allocation % | | 0% | | | |
| Severance | | \$60,283.52 | | | |
| Moving | | \$0.00 | | | |
| Retraining | | \$0.00 | | | |
| Misc accounts \$/yr | | \$0.00 | | | |
| Tot (b) | | | | \$0.00 | (sever+move+retrain+misc) |
| | | | | | |
| Grade GS-9 | | | | | |
| Time allocation % | | 0% | | | |
| Severance | | \$41,570.31 | | | |
| Moving | | \$0.00 | | | |
| Retraining | | \$0.00 | | | |
| Misc accounts \$/yr | | \$0.00 | | | |
| Tot (c) | | | | \$0.00 | (sever+move+retrain+misc) |
| Other 1-time costs \$/yr | | | | \$0.00 | |
| Total conversion costs | | | | \$0.00 | (sum of above col) |
| Annual allocation of conversion costs | | | | \$0.00 | (Tot costs/yr) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|---|--|------|------------------------------------|
| \$0.00 | <<<< To line 23 >>>> | Gain on Disposal/Transfer of Assets | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | DC-9 | | | version |
| Based | ALB | | | Alpha |
| Time period - yrs | | 10 | | Purchase |
| To be sold/trans | | no | | |
| Value of aircraft | | \$0.00 | | |
| Unpaid balance | | \$0.00 | | |
| Equity in aircraft | | | | \$0.00 (value-unpaid bal) |
| Cost of disposal | | | | \$0.00 |
| Tot gain | | | | \$0.00 (equity - cost of disposal) |
| Gain per time period | | | | \$0.00 (tot gain/yrs) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|-------------------------|---|--------------------------------|------|--------------|-----------------------|------------|
| \$3,907.19 | <<<< To line 28 >>>> | Conversion Differential | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | DC-9 | | | | | Alpha |
| Based | ALB | | | | | Purchase |
| Time period - years | | 10 | | | | |
| Crew cost PFH | | \$0.00 | | | | |
| Hours flown/yr | | 425 | | | | |
| Tot crew cost (vari) | | | | \$0.00 | (Crew cost PFH*hours) | |
| Tot crew cost (fix) | | | | \$286,487.34 | (line 9) | |
| Ops personnel cost | | | | \$92,255.07 | (wksht 14) | |
| Adm personnel cost | | | | \$11,976.83 | (wksht 15) | |
| Tot personnel (Convert) | | | | | \$390,719.24 | () |
| New cap acqustn costs | | | | | \$6,316,056.00 | (wksht 11) |
| | A | \$0.00 | | | | |
| | B | \$3,907.19 | | | | |
| | C | \$157,901.40 | | | | |
| | D | \$3,907.19 | | | | |
| | | | | | \$3,907 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Non-Adjusted XOXO Costs | | | | | |
|-------------------------|------------------------|-----------------|------------------------------|------------------------------|--|
| | AIRCRAFT Based | DC-9 ALB | version Alpha Purchase | | |
| | Gov't cost | Contractor cost | | | |
| | 1st yr | 1st yr | | | |
| variable costs PFH | \$1,611 | \$3,048 | | | |
| fixed cost PFH | \$2,904 | \$2,259 | | | |
| total costs PFH | \$4,515 | \$5,307 | | | |
| Flight Hours per Yr | 425 | | | 10 year analysis | |
| | Costs per flight hr | Total Costs | Difference from GOGO | Life of Model Total costs | Life of Model Average cost per flight hr |
| | 1st yr | 1st yr | 1st yr | | |
| GOGO | \$4,515 | \$1,918,790 | \$0 | \$20,284,200 | \$4,773 |
| COGO | \$3,870 | \$1,644,865 | (\$273,925) | \$19,505,530 | \$4,590 |
| GOCO | \$5,951 | \$2,529,371 | \$610,582 | \$27,503,120 | \$6,471 |
| COCO | \$5,307 | \$2,255,446 | \$336,657 | \$26,724,449 | \$6,288 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Decision Line | | | | | | |
|-------------------|-----------------------|--|---|---|---|----|
| AIRCRAFT Based | | DC-9 ALB | version Alpha Purchase | | 10 year analysis | |
| Initial Structure | Terminal Structure | First Year Conversion Differential | First Year Review Line (positive value favors col 1 structure) | Life of Model Conversion Differential | Life of Model Decision Line (positive value favors col 1 structure) | |
| GOGO | to COCO | \$3,907 | \$340,564 | \$47,519 | \$6,487,768 | |
| COGO | to COCO | \$3,907 | \$614,489 | \$47,519 | \$7,266,439 | |
| GOCO | to COCO | \$0 | (\$273,925) | \$0 | (\$778,671) | |
| GOCO | to COCO | \$0 | \$0 | \$0 | \$0 | NA |
| GOGO | to GOCO | \$3,907 | \$614,489 | \$47,519 | \$7,266,439 | |
| COGO | to GOCO | \$161,809 | \$1,046,315 | \$1,918,303 | \$9,915,892 | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| COCO | to GOCO | \$157,901 | \$431,826 | \$1,870,783 | \$2,649,454 | |
| GOGO | to COGO | \$0 | (\$273,925) | \$0 | (\$778,671) | |
| GOCO | to COGO | \$0 | \$0 | \$0 | \$0 | NA |
| GOCO | to COGO | \$3,907 | (\$880,599) | \$47,519 | (\$7,950,071) | |
| COCO | to COGO | \$3,907 | (\$606,674) | \$47,519 | (\$7,171,400) | |
| GOGO | to GOGO | \$0 | \$0 | \$0 | \$0 | NA |
| COGO | to GOGO | \$157,901 | \$431,826 | \$1,870,783 | \$2,649,454 | |
| GOCO | to GOGO | \$3,907 | (\$606,674) | \$47,519 | (\$7,171,400) | |
| COCO | to GOGO | \$161,809 | (\$174,848) | \$1,918,303 | (\$4,521,946) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

Aircraft
G III

Based
ALB

Analysis
GOGO|COCO
Adjusted

1st Year
Values

Version
Alpha
Purchase

CONTRACT AVIATION OPERATIONS COST WORKSHEET

| | | |
|-----|--|--------------------|
| 19. | Contract Cost (rate*hrs/yr) | \$1,611,838 |
| 20. | Cost Construction to Meet PWS | |
| a. | Daily availability/guarantee hours | \$0 |
| b. | Additional pilot and crew charges | \$0 |
| c. | Additional maintenance support | \$0 |
| d. | Airframe alteration/equipment installation | \$0 |
| e. | Equipment not provided by Government | \$0 |
| f. | Additional ground service support | \$0 |
| g. | Travel and per diem | \$0 |
| h. | Service equipment mileage | \$0 |
| i. | Airport fees | \$0 |
| j. | Other costs | \$0 |
| 21. | Contract Administration Costs | \$7,596 |
| 22. | One-time Conversion Costs | \$0 |
| 23. | Gain on Disposal/Transfer of Assets (deduct cost) | \$0 |
| 24. | Federal Income Tax (line 19*2% deduct cost) | (\$32,237) |
| 25. | TOTAL CONVERSION & ADMINISTRATIVE COST (sum lines 19-25) | \$1,587,197 |

IN-HOUSE VS CONTRACT PERFORMANCE

10 year analysis

| | Performance periods | | | | TOTAL |
|---|---------------------|-----------|-----------|-------------|--------------|
| | 1st (mil) | 2nd (mil) | 3rd (mil) | add'l (mil) | |
| 26. In-house Performance | \$1.82 | \$1.77 | \$1.72 | \$10.65 | \$15,956,370 |
| 27. Contract Performance | \$1.67 | \$1.71 | \$1.76 | \$13.66 | \$18,807,164 |
| 28. Conversion Differential | | | | | \$39,765 |
| 29. Adjusted Total Cost of Contract Performance | | | | | \$18,846,929 |
| 30. Decision (line 29 minus line 26) | | | | | \$2,890,559 |
| 31. COST COMPARISON DECISION: | Accomplish Work | | | | |
| | In-house | Yes | | | |
| | contract | No | | | |

Analysis Model Developed by
David D. Darling, 303-279-7458
Golden CO 80401,
Version April 2000

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Aircraft
G III

Based
ALB

Analysis
GOGO | COCO
Adjusted

Version
Alpha
Purchase

Line-by-Line Front End A-76

| | | START | | NOTES |
|------------------|----------------------------------|-------------|-------------|--|
| | | V | V | |
| Fuels & Lubs | Fuel type | Jet A | | |
| In 1 | Consumption (gal/hr) | | 466 | |
| | % DOD | | 100% | |
| | unit cost \$/gal DOD | | \$1.50 | |
| | unit cost \$/gal COMM | | \$2.00 | |
| | Other consumables | | 3% | oil |
| Crew Costs | Rental rate/day | | \$0.00 | |
| In 2 | per diem rate | | \$0.00 | |
| | Number of crew | | 2 | |
| | Grade (for overtime) | GS-12 | | |
| | Num hourly crew (a) | | 0 | |
| | Straight time hrs/yr | | 2087 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime factor | | 1.5 | |
| | Num hourly crew (b) | | 0 | |
| | Straight time hrs/yr | | 0 | |
| | Hourly wage rate | | \$0.00 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime rate | | 0 | |
| | Misc/yr | | | |
| | Total variable crew costs | | \$0.00 | |
| | Item b | | \$0.00 | |
| | Item c | | \$0.00 | |
| Lease/Rent | Lease/Rent Fit Hrs/yr | | | |
| In 3 | | a plane | 0 | |
| | | b plane | 0 | |
| | | c plane | 0 | |
| | Lease/Rent rates/hr | | | |
| | | a plane | \$0.00 | |
| | | b plane | \$0.00 | |
| | | c plane | \$0.00 | |
| Landing/Tie-down | Landing fee /td | | \$0.00 | |
| In 4 | Tie-down fee/day | | \$0.00 | |
| Maint/Spare | Maint labor man-hrs PFH | | 3,470 | A/C Cost Eval. |
| In 5 | Res for engine restoration PFH | | \$290.72 | A/C Cost Eval. |
| | Res for dynamic component & life | | | |
| | limited parts PFH | | \$48.40 | A/C Cost Eval. |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| Crew Cost Fixed | Crew (a) | | | |
| In 9 | | Grade GS-13 | | |
| | Time allotment % | | 100% | |
| | Training costs \$/yr | | \$13,300.00 | |
| | Crew (b) | | | |
| | | Grade GS-12 | | |
| | Time allotment % | | 100% | |
| | Training costs \$/yr | | \$13,300.00 | |
| | Crew (c) | | | |
| | | Grade GS-11 | | |
| | Time allotment % | | 50% | |
| | Training costs \$/yr | | \$0.00 | Cabin Safety/Loaders per staffing plan |
| Maint Cost | Airframe,sys,instmt hrs PFH | | 0.00 | |
| In 10 | Avionics hrs PFH | | 0.00 | |
| | misc hrs PFH | | 0.00 | |
| | item (d) hrs PFH | | 0.00 | |
| | Material costs | | \$0.00 | |
| | Airframe,sys,instmt \$ PFH | | \$302.13 | A/C Cost Eval. |
| | Avionics \$ PFH | | \$0.00 | |
| | misc \$ PFH | | \$0.00 | |
| | item (d) \$ PFH | | \$0.00 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|-----------------|--------------|-----------------------|-------------------|
| <u>Aircraft</u> | <u>Based</u> | <u>Analysis</u> | <u>Version</u> |
| G III | ALB | GOGO COCO Adjusted | Alpha Purchase |

| | | | |
|--------------------------|------------------------------------|-----------------|---------------------------------|
| | Sched inspect items | \$0.00 | |
| | Airframe,sys,instmt hrs PFH | 0.00 | |
| | item (b) hrs PFH | 0.00 | |
| | item (c) hrs PFH | 0.00 | |
| | item (d) hrs PFH | 0.00 | |
| | misc Tot\$ | \$0.00 | |
| Aircraft Lease In 11 | Costs (current year) | | |
| | Base aircraft | \$12,050,000.00 | |
| | Avionics | \$0.00 | |
| | service charge rate | 0% | |
| Depreciation In 12 | Value of aircraft | | |
| | Sale w/ avionics | \$12,050,000.00 | |
| | Custom Depreciation? | no | If "yes" - list residual values |
| | custom seq (per yr) | | |
| | | \$0 | <<<<< START HERI 2002 |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | Equation? | no | If "yes" - list coefficients |
| | Equation coef | value | |
| | a | 0 | <<<<< START HERE |
| | b | 0 | |
| | c | 0 | |
| | d | 0 | |
| | e | 0 | |
| | f | 0 | |
| | FORM: $y=ax^5+bx^4+cx^3+dx^2+ex+f$ | | |
| Self-Insurance In 13c | Auto-Calculation | | |
| Ops Overhead In 14 | Admin (a) | | |
| | Grade GS-14 | | |
| | Time allotment % | 12% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (b) | | |
| | Grade GS-12 | | |
| | Time allotment % | 12% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (c) | | |
| | Grade GS-11 | | |
| | Time allotment % | 48% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (d) | | |
| | Grade GS-9 | | |
| | Time allotment % | 48% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (e) | | |
| | Grade GS-7 | | |
| | Time allotment % | 24% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Hangar rental /yr | \$0.00 | |
| | Home base tie-down fee /yr | \$0.00 | |
| | Office space /yr | \$0.00 | |
| | Office supplies /yr | \$0.00 | |
| | Utilities per yr | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Aircraft | Based | Analysis | Version |
|-----------------------------------|------------------------------|--------------------------|-------------------|
| G III | ALB | GOGO COCO Adjusted | Alpha Purchase |
| | | Phone | \$0.00 |
| | | Electricity | \$0.00 |
| | | Oil/Gas heat | \$0.00 |
| | | Water | \$0.00 |
| | | Building maintenance /yr | \$0.00 |
| | | misc /yr | \$0.00 |
| Admin Overhead In 15 | Admin (a) | Grade GS-13 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (b) | Grade GS-12 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (c) | Grade GS-11 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | | Office space /yr | \$0.00 |
| | | Office supplies /yr | \$0.00 |
| | | Utilities /yr | |
| | | Phone | \$0.00 |
| | | Electricity | \$0.00 |
| | | Oil/Gas heat | \$0.00 |
| | | Water | \$0.00 |
| | | Building maintenance /yr | \$0.00 |
| | | misc /yr | \$0.00 |
| Cost Cap/Finance In 16 | Auto-Calculation | | |
| Contract Cost In 19 | Contract vari cost PFH | \$1,554.25 | A/C Cost Eval. |
| | Contract fixed cost PFH | \$3,051.00 | Per Brian |
| Daily Avail/Guar In 20a | Number guar hrs/yr | 0 | |
| | Hourly guar rate | \$0.00 | |
| Add'l Pilot Crew In 20b | Hrs/yr for extra crew | 0 | |
| | Hourly rate | \$0.00 | |
| Add'l Maint In 20c | Hours/yr added maint | 0 | |
| Airfrm Alt/Eqpt Install In 20d | Airframe alts | \$0.00 | |
| | Equipment instal | \$0.00 | |
| None Gov't Eqpt In 20e | Item a | \$0.00 | |
| | Item b | \$0.00 | |
| | Item c | \$0.00 | |
| Add'l Gnd Suprt In 20f | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |
| Travel&/diem In 20g | Per diem rates | \$0.00 | |
| | misc costs | \$0.00 | |
| Servic Eqpt Milage In 20h | Equipment costs (not hourly) | | |
| | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |
| Airport Fees In 20i | Airport fees (ave) \$/trip | \$0.00 | |
| Other costs In 20j | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Aircraft G III | Based ALB | Analysis GOGO | COCO Adjusted | Version Alpha Purchase |
|----------------------------------|--------------------------|---------------------|------------------|------------------------------|
| Con'tr Admin Costs In 21 | Admin (a) | Grade GS-14 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (b) | Grade GS-13 | | |
| | | Time allotment % | 8% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (c) | Grade GS-12 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (d) | Grade GS-9 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (e) | Grade GS-9 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| One-time Conv'n Costs In 22 | Material costs \$/yr | | \$0.00 | |
| | | Grade GS-12 | | |
| | | Time allocation % | 0% | |
| | | Moving | \$0.00 | |
| | | Retraining | \$0.00 | |
| | | Misc accounts \$/yr | \$0.00 | |
| | | Grade GS-12 | | |
| | | Time allocation % | 0% | |
| | | Moving | \$0.00 | |
| | | Retraining | \$0.00 | |
| | | Misc accounts \$/yr | \$0.00 | |
| | | Grade GS-9 | | |
| | | Time allocation % | 0% | |
| | | Moving | \$0.00 | |
| | | Retraining | \$0.00 | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Other 1-time costs \$/yr | | \$0.00 | |
| Gain on Disp'l/Transfer In 23 | To be sold/trans | | no | |
| | Value of aircraft | | \$0.00 | |
| | Unpaid balance | | \$0.00 | |
| | Cost of disposal | | \$0.00 | |
| Conversion Differential In 28 | Auto-Calculation | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Common Data

| | | | | | |
|---------------------------------------|----|-----------|------|--------|----------|
| Version | | | | | Alpha |
| Aircraft | | | | | G III |
| Based | | | | | ALB |
| Hours flown/yr | | | | | 350 |
| Legs flown/yr | | | | | 245 |
| Nights from base/yr | | | | | 0 |
| Salary Benefits | | | | | 32.45% |
| Maint labor rate-\$/hr | | | | | \$61.76 |
| Period of analysis-yrs (max 10 years) | | | | | 10 |
| Current year | | | | | 2000 |
| On-line year | | | | | 2002 |
| Interest rate | | | | | 6.100% |
| Unadjusted analysis? (e.g. startup) | no | | | | Adjusted |
| Government owned? | | beginning | yes | ending | no |
| Government operated? | | beginning | yes | ending | no |
| Analysis | | | GOGO | to | COCO |

| | | | |
|--------------------|---------------|--------------|----------|
| Payment instrument | is it "free"? | lease years? | purchase |
| | no | 0 | yes |

Insurance Calculations

| | | | | | |
|-------|-----|---|-------|-------------|----------|
| G III | jet | 8 | 0.003 | \$14,000.00 | \$250.00 |
|-------|-----|---|-------|-------------|----------|

| aircraft | eng type | seats | eng type | hull ins factor | liability ins base | liability ins plus/seat |
|----------|----------|-------|-------------------|-----------------|--------------------|-------------------------|
| G III | jet | 8 | helicopter | 6.000% | \$6,000 | \$250 |
| | | | jet | 0.300% | \$14,000 | \$250 |
| | | | single eng piston | 1.100% | \$575 | \$250 |
| | | | turboprop | 0.550% | \$8,000 | \$250 |
| | | | Twin eng piston | 1.100% | \$750 | \$250 |

NOTE: MUST SORT DATA (COLS A,B&C) IN ASCENDING ORDER BY COL "A"

Source: Based on PWS requirements.

I

NOTE: MUST SORT DATA (COLS A, B, C & D) IN ASCENDING ORDER BY COL "A"

Source:
GSA Aircraft Management Policy Div, Transmittal Letter Sep 15, 1997

II

WORKSHEET

Update Data

| Inflation factors from OMB | | 1 | | 2 | |
|----------------------------|----|----------------|-------|---------------|-------|
| | | wages/salaries | accum | non-pay items | accum |
| 2000 | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| 2001 | 1 | 3.0% | 3.0% | 2.6% | 2.6% |
| 2002 | 2 | 3.0% | 6.1% | 2.6% | 5.3% |
| 2003 | 3 | 3.0% | 9.3% | 2.6% | 8.0% |
| 2004 | 4 | 3.0% | 12.6% | 2.6% | 10.8% |
| 2005 | 5 | 3.0% | 15.9% | 2.6% | 13.7% |
| 2006 | 6 | 3.0% | 19.4% | 2.6% | 16.6% |
| 2007 | 7 | 3.0% | 23.0% | 2.6% | 19.7% |
| 2008 | 8 | 3.0% | 26.7% | 2.6% | 22.8% |
| 2009 | 9 | 3.0% | 30.5% | 2.6% | 26.0% |
| 2010 | 10 | 3.0% | 34.4% | 2.6% | 29.3% |
| 2011 | 11 | 3.0% | 38.4% | 2.6% | 32.6% |
| 2012 | 12 | 3.0% | 42.6% | 2.6% | 36.1% |
| 2013 | 13 | 3.0% | 46.9% | 2.6% | 39.6% |
| 2014 | 14 | 3.0% | 51.3% | 2.6% | 43.2% |

Source: Inflation factors; OMB transmittal number 17; Feb 13, 1997.

III

Basic National Payscale 1998

| | |
|-------|-----------|
| GS-10 | \$39,811 |
| GS-11 | \$47,412 |
| GS-12 | \$56,823 |
| GS-13 | \$67,571 |
| GS-14 | \$79,849 |
| GS-15 | \$86,652 |
| GS-2 | \$16,851 |
| GS-3 | \$18,996 |
| GS-4 | \$21,324 |
| GS-5 | \$23,860 |
| GS-6 | \$26,593 |
| GS-7 | \$32,032 |
| GS-8 | \$32,728 |
| GS-9 | \$39,184 |
| SES-1 | \$104,577 |
| SES-2 | \$109,531 |
| SES-3 | \$114,486 |
| SES-4 | \$120,706 |
| SES-5 | \$124,817 |
| SES-6 | \$124,817 |

NOTE: MUST SORT DATA
(COLS A&B) IN ASCENDING
ORDER BY COL "A"

IV

Increment over Basic National Payscale

| | |
|-----|-------|
| DEN | 2.88% |
| ALB | 0.00% |
| HUR | 0.00% |
| MTR | 0.00% |
| RMR | 0.00% |
| SNR | 2.11% |

NOTE: MUST
SORT DATA
(COLS A&B) IN
ASCENDING
ORDER BY COL
"A"

V

Source: OMP, 1998

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|----------------------------|--|---|---|--|--|----------|
| \$719.97 | <<<< To line 1 >>>> | Total Costs Fuels and Lubricants (PFH) | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | | G III | | | | Alpha |
| Based | | ALB | | | | Purchase |
| Fuel type | | Jet A | | | | |
| Consumption (gal/hr) | | 466 | | | | |
| % DOD | | 100% | | | | |
| unit cost \$/gal | | \$1.50 | | | | |
| | % other | 0% | | | | |
| unit cost \$/gal | | \$2.00 | | | | |
| DOD fuel cost | | \$699.00 | (Consumption (gal/hr) * % DOD * unit cost \$/gal DOD) | | | |
| Other fuel cost | | \$0.00 | (Consumption (gal/hr) * % other * unit cost \$/gal other) | | | |
| Total fuel cost PFH | | | \$699.00 | | | |
| Other consumables | | 3% | \$20.97 | | | |
| Total costs fuels&lubs PFH | | | \$719.97 | (Total fuel cost PFH+Tot lub cost PFH) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|---------------|--|-------------------------|---------|--------|---|----------------------------------|
| \$0.00 | <<<< To line 2 >>>> | Crew Costs (PFH) | | | | |
| | Analysis | | GOGO | COCO | Adjusted | version |
| | AIRCRAFT | G III | | | | Alpha |
| | Based | ALB | | | | Purchase |
| | Hours flown/yr | | 350 | | | |
| | Nights from base/yr | | 0 | | | |
| | Rental rate/day | | \$0.00 | | | |
| | Days of car rental | | 0 | | | |
| | per diem rate | | \$0.00 | | (Nights from base/yr*per diem rate* | |
| | Number of crew | | 2 | | Number of crew+car rate*days rented)/ | |
| | | | | \$0.00 | PFH | Hours flown/yr |
| | Grade (for overtime) | GS-12 | | | | |
| | Num hourly crew (a) | | 0 | | | |
| | Straight time hrs/yr | | 2087 | | | |
| | Hourly wage rate | | \$28.89 | | | |
| | Overtime hrs/yr | | 0 | | | |
| | Overtime factor | | 1.5 | | (Num hourly crew (a)*(Straight time hrs/yr* | |
| | Overtime rate | | \$43.33 | | Hourly wage rate+Overtime hrs/yr* | |
| | | | | \$0.00 | PFH | Overtime rate)/Hours flown/yr) |
| | Num hourly crew (b) | | 0 | | | |
| | Straight time hrs/yr | | 0 | | | |
| | Hourly wage rate | | \$0.00 | | | |
| | Overtime hrs/yr | | 0 | | | |
| | Overtime factor | | 1.5 | | (Num hourly crew (a)*(Straight time hrs/yr* | |
| | Overtime rate | | 0 | | Hourly wage rate+Overtime hrs/yr* | |
| | | | | \$0.00 | PFH | Overtime rate)/Hours flown/yr) |
| | Misc/yr | | | | | |
| | Total variable crew costs | | \$0.00 | | | |
| | Item b | | \$0.00 | | | |
| | Item c | | \$0.00 | | | |
| | | | | \$0.00 | PFH | ((Item a + Item b + Item c)/hrs) |
| | | | | \$0.00 | PFH | (sum of items above) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-----------------------|--|---|--------|--|----------|
| \$0.00 | <<<< To line 3 >>>> | Total Aircraft Lease or Rental Costs (PFH) | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | G III | | | Alpha |
| Based | | ALB | | | Purchase |
| Lease/Rent Flt Hrs/yr | | | | | |
| a plane | | | 0 | | |
| b plane | | | 0 | | |
| c plane | | | 0 | | |
| Total Lse/Rnt Hrs/yr | | | | 0 (a plane hrs +b plane hrs +c plane hrs) | |
| Lease/Rent rates/hr | | | | | |
| a plane | | | \$0.00 | | |
| b plane | | | \$0.00 | | |
| c plane | | | \$0.00 | | |
| Annual Costs | | | | | |
| a plane | | | \$0.00 | (a plane hrs* a plane rate) | |
| b plane | | | \$0.00 | (b plane hrs* b plane rate) | |
| c plane | | | \$0.00 | (c plane hrs* c plane rate) | |
| Total Annual \$Ls/Rt | | | \$0.00 | (a plane \$/yr +b plane \$/yr + c plane \$/yr) | |
| | | | \$0.00 | PFH (Total \$/yr / Total Flt hrs/yr) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|------------------------------------|---------------------------------|
| \$0.00 | <<<< To line 4 >>>> | Total Landing Fee and Tie-Down costs (PFH) | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | G III | | | version |
| Based | ALB | | | Alpha |
| Hours flown/yr | | 350 | | Purchase |
| Legs flown/yr | | 245 | | |
| Landing fee /td | | \$0.00 | | |
| Total landing fee/yr | | | \$0.00 | (landings*landing fee) |
| Nights from base/yr | | 0 | | |
| Tie-down fee/day | | \$0.00 | | |
| Total tie-down fee/yr | | | \$0.00 | (Nights form base*tie-down fee) |
| | | | PFH ((Tot landing fee + | |
| | | | \$0.00 tot tie-down fee) / hrs/yr) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|--------------------------|---|---|-----------------|-------------------|--|--------------------------|
| \$553.43 | <<<< To line 5g >>>> | Total Maintenance and Spares Costs (PFH) | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | | G III | | | | Alpha |
| Based | | ALB | | | | Purchase |
| Hours flown/yr | | | 350 | | | |
| Maint labor man-hrsPFH | | | 3.4700 | | | |
| Labor rate \$/hr | | | \$61.76 | | | (Maint labor man-hrsPFH* |
| | | | | \$214.31 PFH (5a) | | Labor rate \$/hr) |
| Res for retirement items | | | \$290.72 | PFH (5b) | | |
| Res for eng overhl & rpr | | | \$48.40 | PFH (5c) | | |
| Res for maj comp overhl | | | \$0.00 | PFH (5d) | | |
| Res for refurb & misc | | | \$0.00 | PFH (5e) | | |
| Unscheduled Maint | | | \$0.00 | PFH (5f) | | |
| | | | \$553.43 | PFH | | (sum items 5a-5f) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | | |
|--------------|----------------------|---------------------|------|--------------------|--------------|---|--|
| \$234,704.50 | | <<<< To line 9 >>>> | | Crew Costs (fixed) | | | |
| Analysis | | | GOGO | COCO | Adjusted | version | |
| AIRCRAFT | | G III | | | | Alpha | |
| Based | | ALB | | | | Purchase | |
| Crew (a) | | | | | | | |
| | Grade | GS-13 | | | | | |
| | Salary | \$71,686.07 | | | | | |
| | Time allotment % | 100% | | | | | |
| | Benefits %of salary | 32.45% | | | | | |
| | Training costs \$/yr | \$13,300.00 | | | | | |
| | Tot (a) | | | | \$108,248.20 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Crew (b) | | | | | | | |
| | Grade | GS-12 | | | | | |
| | Salary | \$60,283.52 | | | | | |
| | Time allotment % | 100% | | | | | |
| | Benefits %of salary | 32.45% | | | | | |
| | Training costs \$/yr | \$13,300.00 | | | | | |
| | Tot (b) | | | | \$93,145.52 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Crew (c) | | | | | | | |
| | Grade | GS-11 | | | | | |
| | Salary | \$50,299.39 | | | | | |
| | Time allotment % | 50% | | | | | |
| | Benefits %of salary | 32.45% | | | | | |
| | Training costs \$/yr | \$0.00 | | | | | |
| | Tot (c) | | | | \$33,310.77 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| | | | | | \$234,704.50 | Total crew costs (fixed) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|------------------------|---|--------------------------|--------------|--------------|----------------|-------------------------|
| \$105,745.50 | <<<< To line 10 >>>> | Maintenance Costs | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | | G III | | | | Alpha |
| Based | | ALB | | | | Purchase |
| Hours flown/yr | | 350 | | | | |
| labor rate \$/hr | | \$61.76 | | | | |
| Sched maint items | | | | | | |
| Airframe,sys,instmt | hrs PFH | 0.00 | \$0.00 | | | (hrs*rate a*hrsPFH) |
| Avionics | hrs PFH | 0.00 | \$0.00 | | | (hrs*rate b*hrsPFH) |
| misc | hrs PFH | 0.00 | \$0.00 | | | (hrs*rate c*hrsPFH) |
| item (d) | hrs PFH | 0.00 | \$0.00 | | | (hrs*rate d*hrsPFH) |
| | | | | | | |
| Material costs | | | | | | |
| Airframe,sys,instmt | \$ PFH | \$302.13 | \$105,745.50 | | | |
| Avionics | \$ PFH | \$0.00 | \$0.00 | | | |
| misc | \$ PFH | \$0.00 | \$0.00 | | | |
| item (d) | \$ PFH | \$0.00 | \$0.00 | | | |
| Tot sched maint cost | | | | \$105,745.50 | | (sum all maint) |
| | | | | | | |
| Sched inspect items | | \$0.00 | | | | |
| Airframe,sys,instmt | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate a*hrsPFH) |
| item (b) | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate b*hrsPFH) |
| item (c) | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate c*hrsPFH) |
| item (d) | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate d*hrsPFH) |
| Tot sched inspect cost | | | | \$0.00 | | (sum all inspect items) |
| | | | | | | |
| misc Tot\$ | | | | \$0.00 | | |
| | | | | | (Sched maint+ | |
| | | | | \$105,745.50 | Sched inspect) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------|---|-----------------------|-----------------|--------------------------|----------|
| \$0.00 | <<<< To line 11 >>>> | Aircraft Lease | | | |
| | Analysis | GOGO COCO | | Adjusted | version |
| | AIRCRAFT | G III | | | Alpha |
| | Based | ALB | | | Purchase |
| | Time period - years | | 10 | | |
| | Costs (current year) | | | | |
| | Base aircraft | \$12,050,000.00 | | | |
| | Avionics | \$0.00 | | | |
| | Total cost (on-line year) | | \$12,684,745.80 | (base+avionics inflated) | |
| | Capital charge/yr | | \$0.00 | (total cost/time period) | |
| | Lease charge/yr | | | | |
| | depreciation | \$63,474.58 | | (wrksht 12) | |
| | interest | \$773,769.49 | | (wrksht 16) | |
| | Tot lease charge/yr | | \$837,244.07 | (dep+int) | |
| | Lease/Purchase charge/yr | | | | |
| | capital | \$1,268,474.58 | | (total cost/time period) | |
| | interest | \$773,769.49 | | (wrksht 16) | |
| | service charge rate | 0% | | (capital*rate) | |
| | service charge | \$0.00 | | | |
| | Tot lease /purchase chrg/yr | | \$2,042,244.07 | | |
| | Cost free aircraft | | \$0.00 | (from above) | |
| | | | \$0.00 | Purchase | 1 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|----------------------|---|---------------------|-----------------|------------------|--|----------|
| \$63,474.58 | <<<< To line 12 >>>> | Depreciation | | GOGO COCO | Adjusted | |
| Analysis | | | | | | |
| AIRCRAFT | | G III | | | | Alpha |
| Based | | ALB | | | | Purchase |
| Time period - years | | | 10 | | | |
| Value of aircraft | | | | no | Custom Depreciation? | |
| Purchase w/ avionics | | | \$12,684,745.80 | no | Equation? | |
| Sale w/ avionics | | | \$12,050,000.00 | | | |
| Depreciation/yr | | | | \$63,474.58 | ((Purchase w/ avionics-Sale w/ avionics)/ time period) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------|-------------------|-----------------------|-----------------|----------------|-------------------------------------|
| \$54,054.24 | | <<<< To line 13c >>>> | | Self-Insurance | |
| Analysis | | | GOGO | COCO | Adjusted |
| AIRCRAFT | | G III | | | version |
| Based | | ALB | | | Alpha |
| Value of aircraft | | | \$12,684,745.80 | | Purchase |
| Number of seats | | | 8 | | |
| Insurance factors | | | | | |
| | hull | | 0.0030 | | (fm common data cht) |
| | liability (base) | | \$14,000.00 | | (fm common data cht) |
| | liability (/seat) | | \$250.00 | | (fm common data cht) |
| Tot cost hull | | | | \$38,054.24 | (value of aircraft*hull ins factor) |
| Liability | | | | | |
| | base | | \$14,000.00 | | |
| Tot per seat adder | | | \$2,000.00 | | (liability ins*num of seats) |
| Tot cost liability | | | | \$16,000.00 | (base+seat adder) |
| Total self ins cost | | | | \$54,054.24 | (Tot hull ins+Tot liability ins) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | | |
|------------------------|----------------------|----------------------|-------------|---------------------|------|-------------|---|
| \$92,255.07 | | <<<< To line 14 >>>> | | Operations Overhead | | | |
| Analysis | | | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | | | G III | | | Alpha |
| Based | | | | ALB | | | Purchase |
| Admin (a) | | | | | | | |
| | Grade | GS-14 | | | | | |
| | Salary | \$84,711.80 | | | | | |
| | Time allotment % | 12% | | | | | |
| | Benefits % of salary | 32.45% | | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | | |
| | Tot (a) | | \$13,464.09 | | | | (Salary*Time allotment % + Benefits % of salary + Misc) |
| Admin (b) | | | | | | | |
| | Grade | GS-12 | | | | | |
| | Salary | \$60,283.52 | | | | | |
| | Time allotment % | 12% | | | | | |
| | Benefits % of salary | 32.45% | | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | | |
| | Tot (b) | | \$9,581.46 | | | | (Salary*Time allotment % + Benefits % of salary + Misc) |
| Admin (c) | | | | | | | |
| | Grade | GS-11 | | | | | |
| | Salary | \$50,299.39 | | | | | |
| | Time allotment % | 48% | | | | | |
| | Benefits % of salary | 32.45% | | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | | |
| | Tot (c) | | \$31,978.34 | | | | (Salary*Time allotment % + Benefits % of salary + Misc) |
| Admin (d) | | | | | | | |
| | Grade | GS-9 | | | | | |
| | Salary | \$41,570.31 | | | | | |
| | Time allotment % | 48% | | | | | |
| | Benefits % of salary | 32.45% | | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | | |
| | Tot (d) | | \$26,428.74 | | | | (Salary*Time allotment % + Benefits % of salary + Misc) |
| Admin (e) | | | | | | | |
| | Grade | GS-7 | | | | | |
| | Salary | \$33,982.75 | | | | | |
| | Time allotment % | 24% | | | | | |
| | Benefits % of salary | 32.45% | | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | | |
| | Tot (e) | | \$10,802.44 | | | | (Salary*Time allotment % + Benefits % of salary + Misc) |
| Tot personnel | | | | | | \$92,255.07 | (sum personnel items) |
| Hanger rental | | \$0.00 | | | | | |
| Home base tie-down fee | | \$0.00 | | | | | |
| Office space | | \$0.00 | | | | | |
| Office supplies | | \$0.00 | | | | | |
| Utilities | | | | | | | |
| | Phone | \$0.00 | | | | | |
| | Electricity | \$0.00 | | | | | |
| | Oil/Gas heat | \$0.00 | | | | | |
| | Water | \$0.00 | | | | | |
| Building maintenance | | \$0.00 | | | | | |
| misc | | \$0.00 | | | | | |
| Tot non-personnel | | | | | | \$0.00 | (sum non-personnl items) |
| | | | | | | \$92,255.07 | Total ops ovrd costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|---------------|---|---------------|---|----------|
| \$0.00 | <<<< To line 15 >>>> Administrative Overhead | | | version |
| | Analysis | GOGO COCO | Adjusted | Alpha |
| | AIRCRAFT | G III | | Purchase |
| | Based | ALB | | |
| | Admin (a) | | | |
| | Grade | GS-13 | | |
| | Salary | \$71,686.07 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (a) | | (Salary*Time allotment %+ \$0.00 Benefits %of salary+Misc) | |
| | Admin (b) | | | |
| | Grade | GS-12 | | |
| | Salary | \$60,283.52 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (b) | | (Salary*Time allotment %+ \$0.00 Benefits %of salary+Misc) | |
| | Admin (c) | | | |
| | Grade | GS-11 | | |
| | Salary | \$50,299.39 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (c) | | (Salary*Time allotment %+ \$0.00 Benefits %of salary+Misc) | |
| | Tot personnel | | \$0.00 | |
| | Office space | \$0.00 | | |
| | Office supplies | \$0.00 | | |
| | Utilities | | | |
| | Phone | \$0.00 | | |
| | Electricity | \$0.00 | | |
| | Oil/Gas heat | \$0.00 | | |
| | Water | \$0.00 | | |
| | Building maintenance | \$0.00 | | |
| | misc | \$0.00 | | |
| | Tot non-personnel | | \$0.00 | |
| | | | \$0.00 Total admin overhead costs | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------------|----------------------|------------------------------------|--------------|----------|
| \$463,150.46 | <<<< To line 16 >>>> | Cost of Capital or Finance Expense | | |
| | | GOGO COCO | | |
| Analysis | | | Adjusted | version |
| AIRCRAFT | G III | | | Alpha |
| Based | ALB | | | Purchase |
| Value of aircraft | | \$12,684,745.80 | | |
| Time period - years | | 10 | | |
| Interest rate | | 6.100% | | |
| Annual levelized finan cost | | | \$463,150.46 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-------------------------|---|----------------------------|--------------------|----------|
| \$1,611,837.50 | <<<< To line 19 >>>> | Total Contract Cost | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | G III | | | Alpha |
| Based | ALB | | | Purchase |
| Hours flown/yr | | 350 | | |
| Contract vari cost PFH | | \$1,554.25 | | |
| Contract fixed cost PFH | | \$3,051.00 | | |
| Total cost PFH | | \$4,605.25 | (vari+fixed) | |
| Total cost | | \$1,611,837.50 | (tot cost PFH*Hrs) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|----------------------------------|----------|
| \$0.00 | <<<< To line 20a >>>> | Daily Availability/Guarantee hours | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | G III | | | version |
| Based | ALB | | | Alpha |
| Number guar hrs/yr | | | 0 | Purchase |
| Hourly guar rate | | \$0.00 | | |
| Tot cost of guarantee | | | \$0.00 (guar hrs/yr*hourly rate) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|--|----------|----------|
| \$0.00 | <<<< To line 20b >>>> | Additional Pilot and Crew Charges | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | G III | | | Alpha |
| Based | ALB | | | Purchase |
| Hrs/yr for extra crew | | 0 | | |
| Hourly rate | | \$0.00 | | |
| Tot cost extra crew | | \$0.00 (hrs/yr*hourly rate) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|--|---------------------------------------|-----------------------------|----------|
| \$0.00 | <<<< To line 20c >>>> | Additional Maintenance Support | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | G III | | | Alpha |
| Based | ALB | | | Purchase |
| Hours/yr added maint | | 0 | | |
| Hourly rate | | \$61.76 | | |
| Tot added maint cost | | | \$0.00 (hrs/yr*hourly rate) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|----------------------|--|---------------|--|---|----------|
| \$0.00 | <<<< To line 20d >>>> | | Airframe Alterations/Equipment Installation | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | G III | | | | Alpha |
| Based | ALB | | | | Purchase |
| Time period - yrs | | 10 | | | |
| Airframe alts | | \$0.00 | | | |
| Equipment instal | | \$0.00 | | | |
| tot alt/install cost | | | | \$0.00 (airframe alts+equip install)/yrs | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------------------|--|-------|---|----------|----------|
| \$0.00 | <<<< To line 20e >>>> | | Equipment not Provided by Government | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | G III | | | Alpha |
| Based | | ALB | | | Purchase |
| Time period - yrs | | | 10 | | |
| | Item a | | \$0.00 | | |
| | Item b | | \$0.00 | | |
| | Item c | | \$0.00 | | |
| tot equipment cost | | | \$0.00 (item a+item b+item c)/yrs | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|---------------------------------|--|--|---------------|-------------------------------|
| \$0.00 | <<<< To line 20f >>>> | Additional Ground Service Support | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | | | | version |
| Based | | | | Alpha |
| | | | | Purchase |
| | item a | | \$0.00 | |
| | item b | | \$0.00 | |
| | item c | | \$0.00 | |
| tot grnd serv spprt cost | | | \$0.00 | (item a+item b+item c) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------|--|----------------------------|---------------|---------------|-------------------------|
| \$0.00 | <<<< To line 20g >>>> | Travel and per Diem | | | |
| | Analysis | | GOGO COCO | Adjusted | version |
| | AIRCRAFT | G III | | | Alpha |
| | Based | ALB | | | Purchase |
| | Nights from base/yr | | 0 | | |
| | Per diem rates | | \$0.00 | | |
| | misc costs | | \$0.00 | | |
| | tot trav&per diem costs | | | \$0.00 | (#nights*per diem+misc) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------|--|----------------------------------|--------|----------|------------------------|
| \$0.00 | <<<< To line 20h >>>> | Service Equipment Mileage | | | |
| | | GOGO | COCO | Adjusted | version |
| | Analysis | G III | | | Alpha |
| | AIRCRAFT | ALB | | | Purchase |
| | Based | | | | |
| | Equipment costs (not hourly) | | | | |
| | | item a | \$0.00 | | |
| | | item b | \$0.00 | | |
| | | item c | \$0.00 | | |
| | tot eqpt costs | | | \$0.00 | (item a+item b+item c) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------|----------------------------|-------|--------------|----------------------------|----------|
| \$0.00 | <<<< To line 20i >>>> | | Airport Fees | | |
| | Analysis | | GOGO COCO | Adjusted | version |
| | AIRCRAFT | G III | | | Alpha |
| | Based | ALB | | | Purchase |
| | Legs flown/yr | | 245 | | |
| | Airport fees (ave) \$/trip | | \$0.00 | | |
| | tot airport/yr | | | \$0.00 (trips/yr*\$ /trip) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------|--|--------------------------------------|----------|----------|
| \$0.00 | <<<< To line 20j >>>> | Other Costs | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | G III | | | Alpha |
| Based | ALB | | | Purchase |
| Other costs | | | | |
| | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| tot other costs | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-------------------|---|------------------|-------------------|---|
| \$7,595.86 | <<<< To line 21 >>>> Contract Administrative Costs | GOGO COCO | Adjusted | version |
| Analysis | AIRCRAFT | G III | | Alpha |
| Based | Admin (a) | ALB | | Purchase |
| | Grade GS-14 | | | |
| | Salary | \$84,711.80 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (a) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | Admin (b) | | | |
| | Grade GS-13 | | | |
| | Salary | \$71,686.07 | | |
| | Time allotment % | 8% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (b) | | \$7,595.86 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | Admin (c) | | | |
| | Grade GS-12 | | | |
| | Salary | \$60,283.52 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (c) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | Admin (d) | | | |
| | Grade GS-9 | | | |
| | Salary | \$41,570.31 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (d) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | Admin (e) | | | |
| | Grade GS-9 | | | |
| | Salary | \$41,570.31 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (e) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | | \$7,595.86 | Total admin overhead costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|---------------------------------------|---|----------------------------------|---------------|---------------------------|
| \$0.00 | <<<< To line 22 >>>> | One Time Conversion Costs | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | G III | | | Alpha |
| Based | ALB | | | Purchase |
| Time period - yrs | | 10 | | |
| Material costs \$/yr | | | \$0.00 | |
| | | | | |
| Grade GS-12 | | | | |
| Time allocation % | | 0% | | |
| Severance | | \$60,283.52 | | |
| Moving | | \$0.00 | | |
| Retraining | | \$0.00 | | |
| Misc accounts \$/yr | | \$0.00 | | |
| Tot (a) | | | \$0.00 | (sever+move+retrain+misc) |
| | | | | |
| Grade GS-12 | | | | |
| Time allocation % | | 0% | | |
| Severance | | \$60,283.52 | | |
| Moving | | \$0.00 | | |
| Retraining | | \$0.00 | | |
| Misc accounts \$/yr | | \$0.00 | | |
| Tot (b) | | | \$0.00 | (sever+move+retrain+misc) |
| | | | | |
| Grade GS-9 | | | | |
| Time allocation % | | 0% | | |
| Severance | | \$41,570.31 | | |
| Moving | | \$0.00 | | |
| Retraining | | \$0.00 | | |
| Misc accounts \$/yr | | \$0.00 | | |
| Tot (c) | | | \$0.00 | (sever+move+retrain+misc) |
| Other 1-time costs \$/yr | | | \$0.00 | |
| Total conversion costs | | | \$0.00 | (sum of above col) |
| Annual allocation of conversion costs | | | \$0.00 | (Tot costs/hrs) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|---|--|------|------------------------------------|
| \$0.00 | <<<< To line 23 >>>> | Gain on Disposal/Transfer of Assets | | |
| | | GOGO | COCO | Adjusted |
| Analysis | | | | version |
| AIRCRAFT | G III | | | Alpha |
| Based | ALB | | | Purchase |
| Time period - yrs | | 10 | | |
| To be sold/trans | | no | | |
| Value of aircraft | | \$0.00 | | |
| Unpaid balance | | \$0.00 | | |
| Equity in aircraft | | | | \$0.00 (value-unpaid bal) |
| Cost of disposal | | | | \$0.00 |
| Tot gain | | | | \$0.00 (equity - cost of disposal) |
| Gain per time period | | | | \$0.00 (tot gain/yrs) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|-------------------------|---|--------------------------------|------|--------------|-----------------------|----------------------------|
| \$3,269.60 | <<<< To line 28 >>>> | Conversion Differential | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | G III | | | | | Alpha |
| Based | ALB | | | | | Purchase |
| Time period - years | | 10 | | | | |
| Crew cost PFH | | \$0.00 | | | | |
| Hours flown/yr | | 350 | | | | |
| Tot crew cost (vari) | | | | \$0.00 | (Crew cost PFH*hours) | |
| Tot crew cost (fix) | | | | \$234,704.50 | (line 9) | |
| Ops personnel cost | | | | \$92,255.07 | (wksht 14) | |
| Adm personnel cost | | | | \$0.00 | (wksht 15) | |
| Tot personnel (Convert) | | | | | | \$326,959.57 () |
| New cap acqustn costs | | | | | | \$12,684,745.80 (wksht 11) |
| | A | \$0.00 | | | | |
| | B | \$3,269.60 | | | | |
| | C | \$317,118.65 | | | | |
| | D | \$3,269.60 | | | | |
| | | | | | | \$3,270 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Non-Adjusted XOXO Costs | | | | | |
|-------------------------|------------------------|------------------------------|-------------------------|------------------------------|--|
| AIRCRAFT Based | G III ALB | version Alpha Purchase | | | |
| | Gov't cost | Contractor cost | | | |
| | 1st yr | 1st yr | | | |
| variable costs PFH | \$1,273 | \$1,484 | | | |
| fixed cost PFH | \$3,783 | \$3,051 | | | |
| total costs PFH | \$5,056 | \$4,535 | | | |
| Flight Hours per Yr | 350 | 10 year analysis | | | |
| | Costs per flight hr | Total Costs | Difference from GOGO | Life of Model Total costs | Life of Model Average cost per flight hr |
| | 1st yr | 1st yr | 1st yr | | |
| GOGO | \$5,056 | \$1,769,692 | \$0 | \$15,956,370 | \$4,559 |
| COGO | \$4,324 | \$1,513,539 | (\$256,153) | \$17,957,273 | \$5,131 |
| GOCO | \$5,267 | \$1,843,350 | \$73,658 | \$16,806,261 | \$4,802 |
| COCO | \$4,535 | \$1,587,197 | (\$182,496) | \$18,807,164 | \$5,373 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Decision Line | | | | | | |
|-------------------|----|-----------------------|--|---|---|---|
| AIRCRAFT Based | | G III ALB | version Alpha Purchase | | 10 year analysis | |
| Initial Structure | to | Terminal Structure | First Year Conversion Differential | First Year Review Line (positive value favors col 1 structure) | Life of Model Conversion Differential | Life of Model Decision Line (positive value favors col 1 structure) |
| GOGO | to | COCO | \$3,270 | (\$179,226) | \$39,765 | \$2,890,559 |
| COGO | to | COCO | \$3,270 | \$76,927 | \$39,765 | \$889,656 |
| GOCO | to | COCO | \$0 | (\$256,153) | \$0 | \$2,000,903 |
| COGO | to | COCO | \$0 | \$0 | \$0 | \$0 NA |
| GOGO | to | GOCO | \$3,270 | \$76,927 | \$39,765 | \$889,656 |
| COGO | to | GOCO | \$320,388 | \$650,199 | \$3,796,921 | \$2,645,909 |
| GOCO | to | GOCO | \$0 | \$0 | \$0 | \$0 NA |
| COCO | to | GOCO | \$317,119 | \$573,272 | \$3,757,156 | \$1,756,253 |
| GOGO | to | COGO | \$0 | (\$256,153) | \$0 | \$2,000,903 |
| COGO | to | COGO | \$0 | \$0 | \$0 | \$0 NA |
| GOCO | to | COGO | \$3,270 | (\$326,541) | \$39,765 | \$1,190,777 |
| COCO | to | COGO | \$3,270 | (\$70,388) | \$39,765 | (\$810,126) |
| GOCO | to | COGO | \$0 | \$0 | \$0 | \$0 NA |
| COGO | to | GOGO | \$317,119 | \$573,272 | \$3,757,156 | \$1,756,253 |
| GOCO | to | GOGO | \$3,270 | (\$70,388) | \$39,765 | (\$810,126) |
| COCO | to | GOGO | \$320,388 | \$502,884 | \$3,796,921 | \$946,127 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

| | | | |
|-----------------|--------------|-------------------------|-------------------|
| <u>Aircraft</u> | <u>Based</u> | <u>Analysis</u> | <u>Version</u> |
| G III | ALB | GOGO COCO Adjusted | Alpha Purchase |
| | | 1st Year Values | |

DIRECT OPERATION COSTS PER FLIGHT HOUR (PFH)

| | | | |
|----|---|----------|------------|
| 1. | Fuel and Lubricants | | \$719.97 |
| 2. | Crew Cost (PFH) | | \$0.00 |
| 3. | Aircraft Lease or Rental | | \$0.00 |
| 4. | Landing Fee and Tie-Down | | \$0.00 |
| 5. | Maintenance and Spares | | |
| a. | Labor cost (\$ per hour multiplied by man-hours PFH) | \$214.31 | |
| b. | Reserve for retirement items | \$290.72 | |
| c. | Reserve for engine overhaul and repairs | \$48.40 | |
| d. | Reserve for major component overhaul and other life-limited items | \$0.00 | |
| e. | Reserve for aircraft refurbishment and miscellaneous | \$0.00 | |
| f. | Unscheduled maintenance | \$0.00 | |
| g. | Total direct maintenance and spares | | \$553.43 |
| 6. | Total Direct Operating Cost PFH | | \$1,273.40 |
| 7. | Flight Hours for PWS | | 350 |
| 8. | TOTAL DIRECT OPERATING COST (line 6 multiplied by line 7) | | \$445,689 |

FIXED OPERATION ANNUAL COST

| | | | |
|-----|---|----------|-------------|
| 9. | Crew Costs | | \$234,704 |
| 10. | Maintenance Costs | | \$105,746 |
| 11. | Aircraft Lease | | \$0 |
| 12. | Depreciation | | \$63,475 |
| 13. | Self-Insurance Costs | | |
| a. | Liability | \$16,000 | |
| b. | Casualty | \$38,054 | |
| c. | Total Self-Insurance Cost | | \$54,054 |
| 14. | Operations Overhead | | \$92,255 |
| 15. | Administrative Overhead | | \$0 |
| 16. | Cost of Capital or Finance Expense | | \$773,769 |
| 17. | TOTAL FIXED OPERATING ANNUAL COST (sum lines 9 thru 16) | | \$1,324,003 |
| 18. | TOTAL IN-HOUSE PERFORMANCE COST (line 8 + line 17) | | \$1,769,692 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

| | | | |
|-----------------|--------------|-----------------------|-------------------|
| <u>Aircraft</u> | <u>Based</u> | <u>Analysis</u> | <u>Version</u> |
| Lear 35 | ALB | GOGO COCO Adjusted | Alpha Purchase |
| | | 1st Year Values | |

DIRECT OPERATION COSTS PER FLIGHT HOUR (PFH)

| | | | |
|----|---|----------|-----------|
| 1. | Fuel and Lubricants | | \$285.83 |
| 2. | Crew Cost (PFH) | | \$0.00 |
| 3. | Aircraft Lease or Rental | | \$0.00 |
| 4. | Landing Fee and Tie-Down | | \$0.00 |
| 5. | Maintenance and Spares | | |
| a. | Labor cost (\$ per hour multiplied by man-hours PFH) | \$138.34 | |
| b. | Reserve for retirement items | \$214.74 | |
| c. | Reserve for engine overhaul and repairs | \$11.00 | |
| d. | Reserve for major component overhaul and other life-limited items | \$0.00 | |
| e. | Reserve for aircraft refurbishment and miscellaneous | \$0.00 | |
| f. | Unscheduled maintenance | \$0.00 | |
| g. | Total direct maintenance and spares | | \$364.08 |
| 6. | Total Direct Operating Cost PFH | | \$649.91 |
| 7. | Flight Hours for PWS | | 325 |
| 8. | TOTAL DIRECT OPERATING COST (line 6 multiplied by line 7) | | \$211,220 |

FIXED OPERATION ANNUAL COST

| | | | |
|-----|---|----------|------------|
| 9. | Crew Costs | | \$270,200 |
| 10. | Maintenance Costs | | \$38,139 |
| 11. | Aircraft Lease | | \$0 |
| 12. | Depreciation | | (\$20,468) |
| 13. | Self-Insurance Costs | | |
| a. | Liability | \$15,500 | |
| b. | Casualty | \$0 | |
| c. | Total Self-Insurance Cost | | \$15,500 |
| 14. | Operations Overhead | | \$92,255 |
| 15. | Administrative Overhead | | \$0 |
| 16. | Cost of Capital or Finance Expense | | \$277,722 |
| 17. | TOTAL FIXED OPERATING ANNUAL COST (sum lines 9 thru 16) | | \$673,348 |
| 18. | TOTAL IN-HOUSE PERFORMANCE COST (line 8 + line 17) | | \$884,568 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

| | | | | |
|----------------------------|---------------------|--|--------------------|-------------------------------------|
| <u>Aircraft</u> Lear 35 | <u>Based</u> ALB | <u>Analysis</u> GOGO COCO Adjusted | 1st Year Values | <u>Version</u> Alpha Purchase |
|----------------------------|---------------------|--|--------------------|-------------------------------------|

CONTRACT AVIATION OPERATIONS COST WORKSHEET

| | | |
|-----|--|------------------|
| 19. | Contract Cost (rate*hrs/yr) | \$882,564 |
| 20. | Cost Construction to Meet PWS | |
| a. | Daily availability/guarantee hours | \$0 |
| b. | Additional pilot and crew charges | \$0 |
| c. | Additional maintenance support | \$0 |
| d. | Airframe alteration/equipment installation | \$0 |
| e. | Equipment not provided by Government | \$0 |
| f. | Additional ground service support | \$0 |
| g. | Travel and per diem | \$0 |
| h. | Service equipment mileage | \$0 |
| i. | Airport fees | \$0 |
| j. | Other costs | \$0 |
| 21. | Contract Administration Costs | \$7,596 |
| 22. | One-time Conversion Costs | \$0 |
| 23. | Gain on Disposal/Transfer of Assets (deduct cost) | \$0 |
| 24. | Federal Income Tax (line 19*2% deduct cost) | (\$17,651) |
| 25. | TOTAL CONVERSION & ADMINISTRATIVE COST (sum lines 19-25) | \$872,508 |

IN-HOUSE VS CONTRACT PERFORMANCE

10 year analysis

| | | Performance periods | | | | TOTAL |
|-----|---|---------------------|-----------|-----------|-------------|--------------|
| | | 1st (mil) | 2nd (mil) | 3rd (mil) | add'l (mil) | |
| 26. | In-house Performance | \$0.92 | \$0.91 | \$0.90 | \$6.12 | \$8,854,111 |
| 27. | Contract Performance | \$0.92 | \$0.94 | \$0.97 | \$7.51 | \$10,339,682 |
| 28. | Conversion Differential | | | | | \$44,082 |
| 29. | Adjusted Total Cost of Contract Performance | | | | | \$10,383,764 |
| 30. | Decision (line 29 minus line 26) | | | | | \$1,529,653 |
| 31. | COST COMPARISON DECISION: | | | | | |
| | Accomplish Work | | | | | |
| | In-house | | Yes | | | |
| | contract | | No | | | |

Analysis Model Developed by
David D. Darling, 303-279-7458
Golden CO 80401,
Version April 2000

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Common Data

| | | | |
|---------------------------------------|-----------|-----|-----------|
| Version | Alpha | | |
| Aircraft | Lear 35 | | |
| Based | ALB | | |
| Hours flown/yr | 325 | | |
| Legs flown/yr | 260 | | |
| Nights from base/yr | 0 | | |
| Salary Benefits | 32.45% | | |
| Maint labor rate-\$/hr | \$61.76 | | |
| Period of analysis-yrs (max 10 years) | 10 | | |
| Current year | 2000 | | |
| On-line year | 2002 | | |
| Interest rate | 6.100% | | |
| Unadjusted analysis? (e.g. startup) | no | | |
| Government owned? | beginning | yes | ending no |
| Government operated? | beginning | yes | ending no |
| Analysis | GOGO | to | COCO |

| | | | |
|--------------------|---------------|--------------|----------|
| Payment instrument | is it "free"? | lease years? | purchase |
| | no | 0 | yes |

Insurance Calculations

| | | | | | |
|---------|-----|---|---|-------------|----------|
| Lear 35 | jet | 6 | 0 | \$14,000.00 | \$250.00 |
|---------|-----|---|---|-------------|----------|

| aircraft | eng type | seats | eng type | hull ins factor | liability ins base | liability ins plus/seat |
|----------|----------|-------|-------------------|-----------------|--------------------|-------------------------|
| Lear 35 | jet | 6 | helicopter | 6.000% | \$6,000 | \$250 |
| | | | jet | 0.000% | \$14,000 | \$250 |
| | | | single eng piston | 1.100% | \$575 | \$250 |
| | | | turboprop | 0.550% | \$8,000 | \$250 |
| | | | Twin eng piston | 1.100% | \$750 | \$250 |

NOTE: MUST SORT DATA (COLS A,B&C) IN ASCENDING ORDER BY COL "A"

Source: Based on PWS requirements.

I

NOTE: MUST SORT DATA (COLS A, B, C & D) IN ASCENDING ORDER BY COL "A"

Source: GSA Aircraft Management Policy Div, Transmittal Letter Sep 15, 1997

II

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Update Data

| Inflation factors from OMB | | 1 | | 2 | |
|----------------------------|----|----------------|-------|---------------|-------|
| | | wages/salaries | accum | non-pay items | accum |
| 2000 | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| 2001 | 1 | 3.0% | 3.0% | 2.6% | 2.6% |
| 2002 | 2 | 3.0% | 6.1% | 2.6% | 5.3% |
| 2003 | 3 | 3.0% | 9.3% | 2.6% | 8.0% |
| 2004 | 4 | 3.0% | 12.6% | 2.6% | 10.8% |
| 2005 | 5 | 3.0% | 15.9% | 2.6% | 13.7% |
| 2006 | 6 | 3.0% | 19.4% | 2.6% | 16.6% |
| 2007 | 7 | 3.0% | 23.0% | 2.6% | 19.7% |
| 2008 | 8 | 3.0% | 26.7% | 2.6% | 22.8% |
| 2009 | 9 | 3.0% | 30.5% | 2.6% | 26.0% |
| 2010 | 10 | 3.0% | 34.4% | 2.6% | 29.3% |
| 2011 | 11 | 3.0% | 38.4% | 2.6% | 32.6% |
| 2012 | 12 | 3.0% | 42.6% | 2.6% | 36.1% |
| 2013 | 13 | 3.0% | 46.9% | 2.6% | 39.6% |
| 2014 | 14 | 3.0% | 51.3% | 2.6% | 43.2% |

Source: Inflation factors; OMB
transmittal number 17;Feb 13,
1997.

III

Basic National Payscale 1998

| | |
|-------|-----------|
| GS-10 | \$39,811 |
| GS-11 | \$47,412 |
| GS-12 | \$56,823 |
| GS-13 | \$67,571 |
| GS-14 | \$79,849 |
| GS-15 | \$86,652 |
| GS-2 | \$16,851 |
| GS-3 | \$18,996 |
| GS-4 | \$21,324 |
| GS-5 | \$23,860 |
| GS-6 | \$26,593 |
| GS-7 | \$32,032 |
| GS-8 | \$32,728 |
| GS-9 | \$39,184 |
| SES-1 | \$104,577 |
| SES-2 | \$109,531 |
| SES-3 | \$114,486 |
| SES-4 | \$120,706 |
| SES-5 | \$124,817 |
| SES-6 | \$124,817 |

NOTE: MUST SORT DATA
(COLS A&B) IN ASCENDING
ORDER BY COL "A"

IV

Increment over Basic National Payscale

| | |
|-----|-------|
| DEN | 2.88% |
| ALB | 0.00% |
| HUR | 0.00% |
| MTR | 0.00% |
| RMR | 0.00% |
| SNR | 2.11% |

NOTE: MUST
SORT DATA
(COLS A&B) IN
ASCENDING
ORDER BY COL
"A"

V

Source: OMP, 1998

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Aircraft
Lear 35

Based
ALB

Analysis
GOGO|COCO
Adjusted

Version
Alpha
Purchase

Line-by-Line Front End A-76

| | | START | | NOTES |
|------------------|--|-------|-------------|----------------|
| | | V | V | |
| Fuels & Lubs | Fuel type | Jet A | | |
| In 1 | Consumption (gal/hr) | | 185 | |
| | % DOD | | 100% | |
| | unit cost \$/gal DOD | | \$1.50 | |
| | unit cost \$/gal COMM | | \$2.00 | |
| | Other consumables | | 3% | oil |
| Crew Costs | Rental rate/day | | \$0.00 | |
| In 2 | per diem rate | | \$0.00 | |
| | Number of crew | | 2 | |
| | Grade (for overtime) | GS-12 | | |
| | Num hourly crew (a) | | 0 | |
| | Straight time hrs/yr | | 2087 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime factor | | 1.5 | |
| | Num hourly crew (b) | | 0 | |
| | Straight time hrs/yr | | 0 | |
| | Hourly wage rate | | \$0.00 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime rate | | 0 | |
| | Misc/yr | | | |
| | Total variable crew costs | | \$0.00 | |
| | Item b | | \$0.00 | |
| | Item c | | \$0.00 | |
| Lease/Rent | Lease/Rent Flt Hrs/yr | | | |
| In 3 | a plane | | 0 | |
| | b plane | | 0 | |
| | c plane | | 0 | |
| | Lease/Rent rates/hr | | | |
| | a plane | | \$0.00 | |
| | b plane | | \$0.00 | |
| | c plane | | \$0.00 | |
| Landing/Tie-down | Landing fee /td | | \$0.00 | |
| In 4 | Tie-down fee/day | | \$0.00 | |
| Maint/Spare | Maint labor man-hrs PFH | | 2,240.00 | A/C Cost Eval. |
| In 5 | Res for engine restoration PFH | | \$214.74 | A/C Cost Eval. |
| | Res for dynamic component & life limited parts PFH | | \$11.00 | A/C Cost Eval. |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| Crew Cost Fixed | Crew (a) | | | |
| In 9 | Grade | GS-13 | | |
| | Time allotment % | | 100% | |
| | Training costs \$/yr | | \$47,703.00 | |
| | Crew (b) | | | |
| | Grade | GS-12 | | |
| | Time allotment % | | 100% | |
| | Training costs \$/yr | | \$47,703.00 | |
| | Crew (c) | | | |
| | Grade | GS-11 | | |
| | Time allotment % | | 0% | |
| | Training costs \$/yr | | \$0.00 | |
| Maint Cost | Airframe,sys,instmt hrs PFH | | 0.00 | |
| In 10 | Avionics hrs PFH | | 0.00 | |
| | misc hrs PFH | | 0.00 | |
| | item (d) hrs PFH | | 0.00 | |
| | Material costs | | \$0.00 | |
| | Airframe,sys,instmt \$ PFH | | \$117.35 | A/C Cost Eval. |
| | Avionics \$ PFH | | \$0.00 | |
| | misc \$ PFH | | \$0.00 | |
| | item (d) \$ PFH | | \$0.00 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|----------------------------|---------------------|-------------------------|-------------------------|
| <u>Aircraft</u> Lear 35 | <u>Based</u> ALB | <u>Analysis</u> GOGO | <u>Version</u> Alpha |
| | | COCO Adjusted | Purchase |

| | | | |
|--|-----------------------------|---------------------|---------------------------------|
| | Sched inspect items | \$0.00 | |
| | Airframe,sys,instmt hrs PFH | 0.00 | |
| | item (b) hrs PFH | 0.00 | |
| | item (c) hrs PFH | 0.00 | |
| | item (d) hrs PFH | 0.00 | |
| | misc Tot\$ | \$0.00 | |
| | | | |
| Aircraft Lease In 11 | Costs (current year) | | |
| | Base aircraft | \$4,325,000.00 | |
| | Avionics | \$0.00 | |
| | service charge rate | 0% | |
| | | | |
| Depreciation In 12 | Value of aircraft | | |
| | Sale w/ avionics | \$4,757,500.00 | |
| | | | |
| | Custom Depreciation? | no | If "yes" - list residual values |
| | | custom seq (per yr) | |
| | | \$0 | START HERE 2002 |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | | |
| | Equation? | no | If "yes" - list coefficients |
| | Equation coef | value | |
| | a | 0 | START HERE |
| | b | 0 | |
| | c | 0 | |
| | d | 0 | |
| | e | 0 | |
| | f | 0 | |
| | | | |
| FORM: $y = ax^5 + bx^4 + cx^3 + dx^2 + ex + f$ | | | |
| | | | |
| Self-Insurance In 13c | Auto-Calculation | | |
| | | | |
| Ops Overhead In 14 | Admin (a) | | |
| | Grade | GS-14 | |
| | Time allotment % | 12% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (b) | | |
| | Grade | GS-12 | |
| | Time allotment % | 12% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (c) | | |
| | Grade | GS-11 | |
| | Time allotment % | 48% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (d) | | |
| | Grade | GS-9 | |
| | Time allotment % | 48% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (e) | | |
| | Grade | GS-7 | |
| | Time allotment % | 24% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Hangar rental /yr | \$0.00 | |
| | Home base tie-down fee /yr | \$0.00 | |
| | Office space /yr | \$0.00 | |
| | Office supplies /yr | \$0.00 | |
| | Utilities per yr | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|-----------------|--------------|-----------------|----------------|
| <u>Aircraft</u> | <u>Based</u> | <u>Analysis</u> | <u>Version</u> |
| Lear 35 | ALB | GOGO COCO | Alpha |
| | | Adjusted | Purchase |

| | | | | |
|-------------------------|------------------------------|---------------------|------------|----------------|
| | | Phone | \$0.00 | |
| | | Electricity | \$0.00 | |
| | | Oil/Gas heat | \$0.00 | |
| | | Water | \$0.00 | |
| | Building maintenance /yr | | \$0.00 | |
| | misc /yr | | \$0.00 | |
| | | | | |
| Admin Overhead | Admin (a) | Grade GS-13 | | |
| In 15 | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (b) | Grade GS-12 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (c) | Grade GS-11 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Office space /yr | | \$0.00 | |
| | Office supplies /yr | | \$0.00 | |
| | Utilities /yr | | | |
| | | Phone | \$0.00 | |
| | | Electricity | \$0.00 | |
| | | Oil/Gas heat | \$0.00 | |
| | | Water | \$0.00 | |
| | Building maintenance /yr | | \$0.00 | |
| | misc /yr | | \$0.00 | |
| | | | | |
| Cost Cap/Finance | Auto-Calculation | | | |
| In 16 | | | | |
| | | | | |
| Contract Cost | Contract vari cost PFH | | \$742.93 | A/C Cost Eval. |
| In 19 | Contract fixed cost PFH | | \$1,972.65 | A/C Cost Eval. |
| | | | | |
| Daily Avail/Guar | Number guar hrs/yr | | 0 | |
| In 20a | Hourly guar rate | | \$0.00 | |
| | | | | |
| Add'l Pilot Crew | Hrs/yr for extra crew | | 0 | |
| In 20b | Hourly rate | | \$0.00 | |
| | | | | |
| Add'l Maint | Hours/yr added maint | | 0 | |
| In 20c | | | | |
| | | | | |
| Airfrm Alt/Eqpt Install | Airframe alts | | \$0.00 | |
| In 20d | Equipment instal | | \$0.00 | |
| | | | | |
| None Gov't Eqpt | Item a | | \$0.00 | |
| In 20e | Item b | | \$0.00 | |
| | Item c | | \$0.00 | |
| | | | | |
| Add'l Gnd Suprt | item a | | \$0.00 | |
| In 20f | item b | | \$0.00 | |
| | item c | | \$0.00 | |
| | | | | |
| Travel&/diem | Per diem rates | | \$0.00 | |
| In 20g | misc costs | | \$0.00 | |
| | | | | |
| Servic Eqpt Milage | Equipment costs (not hourly) | | | |
| In 20h | item a | | \$0.00 | |
| | item b | | \$0.00 | |
| | item c | | \$0.00 | |
| | | | | |
| Airport Fees | Airport fees (ave) \$/trip | | \$0.00 | |
| In 20i | | | | |
| | | | | |
| Other costs | item a | | \$0.00 | |
| In 20j | item b | | \$0.00 | |
| | item c | | \$0.00 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Aircraft
Lear 35

Based
ALB

Analysis
GOGO | COCO
Adjusted

Version
Alpha
Purchase

| | | | |
|----------------------------------|--------------------------|---------------------|--------|
| Con'tr Admin Costs In 21 | Admin (a) | Grade GS-14 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (b) | Grade GS-13 | |
| | | Time allotment % | 8% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (c) | Grade GS-12 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (d) | Grade GS-9 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (e) | Grade GS-9 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| One-time Conv'n Costs In 22 | Material costs \$/yr | | \$0.00 |
| | | Grade GS-12 | |
| | | Time allocation % | 0% |
| | | Moving | \$0.00 |
| | | Retraining | \$0.00 |
| | | Misc accounts \$/yr | \$0.00 |
| | | Grade GS-12 | |
| | | Time allocation % | 0% |
| | | Moving | \$0.00 |
| | | Retraining | \$0.00 |
| | | Misc accounts \$/yr | \$0.00 |
| | | Grade GS-9 | |
| | | Time allocation % | 0% |
| | | Moving | \$0.00 |
| | | Retraining | \$0.00 |
| | | Misc accounts \$/yr | \$0.00 |
| | Other 1-time costs \$/yr | | \$0.00 |
| Gain on Disp'l/Transfer In 23 | To be sold/trans | | no |
| | Value of aircraft | | \$0.00 |
| | Unpaid balance | | \$0.00 |
| | Cost of disposal | | \$0.00 |
| Conversion Differential In 28 | Auto-Calculation | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------------|--|---|---|----------|
| \$285.83 | <<<< To line 1 >>>> | Total Costs Fuels and Lubricants (PFH) | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | Lear 35 | | Alpha |
| Based | | ALB | | Purchase |
| Fuel type | | Jet A | | |
| Consumption (gal/hr) | | 185 | | |
| % DOD | | 100% | | |
| unit cost \$/gal | | \$1.50 | | |
| | % other | 0% | | |
| unit cost \$/gal | | \$2.00 | | |
| DOD fuel cost | | \$277.50 | (Consumption (gal/hr) * % DOD * unit cost \$/gal DOD) | |
| Other fuel cost | | \$0.00 | (Consumption (gal/hr) * % other * unit cost \$/gal other) | |
| Total fuel cost PFH | | \$277.50 | | |
| Other consumables | | 3% | \$8.33 | |
| Total costs fuels&lubs PFH | | \$285.83 | (Total fuel cost PFH+Tot lub cost PFH) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------------|--|-------------------------|------|------------|---|
| \$0.00 | <<<< To line 2 >>>> | Crew Costs (PFH) | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | Lear 35 | | | | Alpha |
| Based | ALB | | | | Purchase |
| Hours flown/yr | | 325 | | | |
| Nights from base/yr | | 0 | | | |
| Rental rate/day | | \$0.00 | | | |
| Days of car rental | | 0 | | | |
| per diem rate | | \$0.00 | | | (Nights from base/yr*per diem rate* |
| Number of crew | | 2 | | | Number of crew+car rate*days rented)/ |
| | | | | \$0.00 PFH | Hours flown/yr |
| Grade (for overtime) | GS-12 | | | | |
| Num hourly crew (a) | | 0 | | | |
| Straight time hrs/yr | | 2087 | | | |
| Hourly wage rate | | \$28.89 | | | |
| Overtime hrs/yr | | 0 | | | |
| Overtime factor | | 1.5 | | | (Num hourly crew (a)*(Straight time hrs/yr* |
| Overtime rate | | \$43.33 | | | Hourly wage rate+Overtime hrs/yr* |
| | | | | \$0.00 PFH | Overtime rate)/Hours flown/yr) |
| Num hourly crew (b) | | 0 | | | |
| Straight time hrs/yr | | 0 | | | |
| Hourly wage rate | | \$0.00 | | | |
| Overtime hrs/yr | | 0 | | | |
| Overtime factor | | 1.5 | | | (Num hourly crew (a)*(Straight time hrs/yr* |
| Overtime rate | | 0 | | | Hourly wage rate+Overtime hrs/yr* |
| | | | | \$0.00 PFH | Overtime rate)/Hours flown/yr) |
| Misc/yr | | | | | |
| Total variable crew costs | | \$0.00 | | | |
| Item b | | \$0.00 | | | |
| Item c | | \$0.00 | | | |
| | | | | \$0.00 PFH | ((Item a + Item b + Item c)/hrs) |
| | | | | \$0.00 PFH | (sum of items above) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|---|---|
| \$0.00 | <<<< To line 3 >>>> | Total Aircraft Lease or Rental Costs (PFH) | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | Lear 35 | | | version |
| Based | ALB | | | Alpha |
| Lease/Rent Fit Hrs/yr | | | | Purchase |
| a plane | | 0 | | |
| b plane | | 0 | | |
| c plane | | 0 | | |
| Total Lse/Rnt Hrs/yr | | | | 0 (a plane hrs + b plane hrs + c plane hrs) |
| Lease/Rent rates/hr | | | | |
| a plane | | \$0.00 | | |
| b plane | | \$0.00 | | |
| c plane | | \$0.00 | | |
| Annual Costs | | | | |
| a plane | | \$0.00 | (a plane hrs* a plane rate) | |
| b plane | | \$0.00 | (b plane hrs* b plane rate) | |
| c plane | | \$0.00 | (c plane hrs* c plane rate) | |
| Total Annual \$Ls/Rt | | \$0.00 | (a plane \$/yr + b plane \$/yr + c plane \$/yr) | |
| | | \$0.00 | PFH (Total \$/yr / Total Fit hrs/yr) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|------------------------------------|---------------------------------|
| \$0.00 | <<<< To line 4 >>>> | Total Landing Fee and Tie-Down costs (PFH) | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Lear 35 | | | Alpha |
| Based | ALB | | | Purchase |
| Hours flown/yr | | 325 | | |
| Legs flown/yr | | 260 | | |
| Landing fee /td | | \$0.00 | | |
| Total landing fee/yr | | | \$0.00 | (landings*landing fee) |
| Nights from base/yr | | 0 | | |
| Tie-down fee/day | | \$0.00 | | |
| Total tie-down fee/yr | | | \$0.00 | (Nights form base*tie-down fee) |
| | | | PFH ((Tot landing fee + | |
| | | | \$0.00 tot tie-down fee) / hrs/yr) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|--------------------------|---|---|----------|----------|--------------------------|----------|
| \$364.08 | <<<< To line 5g >>>> | Total Maintenance and Spares Costs (PFH) | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | Lear 35 | | | | | Alpha |
| Based | ALB | | | | | Purchase |
| Hours flown/yr | | 325 | | | | |
| Maint labor man-hrsPFH | | 2.2400 | | | | |
| Labor rate \$/hr | | \$61.76 | | | | |
| | | | \$138.34 | PFH (5a) | (Maint labor man-hrsPFH* | |
| | | | | | Labor rate \$/hr) | |
| Res for retirement items | | | \$214.74 | PFH (5b) | | |
| Res for eng overhl & rpr | | | \$11.00 | PFH (5c) | | |
| Res for maj comp overhl | | | \$0.00 | PFH (5d) | | |
| Res for refurb & misc | | | \$0.00 | PFH (5e) | | |
| Unscheduled Maint | | | \$0.00 | PFH (5f) | | |
| | | | \$364.08 | PFH | (sum items 5a-5f) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|---------------------|--|---------------------------|--|
| \$270,199.73 | <<<< To line 9 >>>> | Crew Costs (fixed) | |
| Analysis | | GOGO COCO | Adjusted |
| AIRCRAFT | Lear 35 | | version |
| Based | ALB | | Alpha |
| Crew (a) | | | Purchase |
| | Grade GS-13 | | |
| | Salary | \$71,686.07 | |
| | Time allotment % | 100% | |
| | Benefits %of salary | 32.45% | |
| | Training costs \$/yr | \$47,703.00 | |
| | Tot (a) | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | \$142,651.20 | |
| Crew (b) | | | |
| | Grade GS-12 | | |
| | Salary | \$60,283.52 | |
| | Time allotment % | 100% | |
| | Benefits %of salary | 32.45% | |
| | Training costs \$/yr | \$47,703.00 | |
| | Tot (b) | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | \$127,548.52 | |
| Crew (c) | | | |
| | Grade GS-11 | | |
| | Salary | \$50,299.39 | |
| | Time allotment % | 0% | |
| | Benefits %of salary | 32.45% | |
| | Training costs \$/yr | \$0.00 | |
| | Tot (c) | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | \$0.00 | |
| | | \$270,199.73 | Total crew costs (fixed) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|------------------------|---|--------------------------|------|-------------|-------------|---------------------------------|
| \$38,138.75 | <<<< To line 10 >>>> | Maintenance Costs | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | | Lear 35 | | | | Alpha |
| Based | | ALB | | | | Purchase |
| Hours flown/yr | | 325 | | | | |
| labor rate \$/hr | | \$61.76 | | | | |
| Sched maint items | | | | | | |
| Airframe,sys,instmt | hrs PFH | 0.00 | | \$0.00 | | (hrs*rate a*hrsPFH) |
| Avionics | hrs PFH | 0.00 | | \$0.00 | | (hrs*rate b*hrsPFH) |
| misc | hrs PFH | 0.00 | | \$0.00 | | (hrs*rate c*hrsPFH) |
| item (d) | hrs PFH | 0.00 | | \$0.00 | | (hrs*rate d*hrsPFH) |
| Material costs | | | | | | |
| Airframe,sys,instmt | \$ PFH | \$117.35 | | \$38,138.75 | | |
| Avionics | \$ PFH | \$0.00 | | \$0.00 | | |
| misc | \$ PFH | \$0.00 | | \$0.00 | | |
| item (d) | \$ PFH | \$0.00 | | \$0.00 | | |
| Tot sched maint cost | | | | | \$38,138.75 | (sum all maint) |
| Sched inspect items | | | | | | |
| Airframe,sys,instmt | hrs PFH | \$0.00 | | \$0.00 | | (hrs*rate a*hrsPFH) |
| item (b) | hrs PFH | \$0.00 | | \$0.00 | | (hrs*rate b*hrsPFH) |
| item (c) | hrs PFH | \$0.00 | | \$0.00 | | (hrs*rate c*hrsPFH) |
| item (d) | hrs PFH | \$0.00 | | \$0.00 | | (hrs*rate d*hrsPFH) |
| Tot sched inspect cost | | | | | \$0.00 | (sum all inspect items) |
| misc Tot\$ | | | | | \$0.00 | |
| | | | | | \$38,138.75 | (Sched maint+ Sched inspect) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------|--|-----------------------|-----------------------|---------------------------------|-----------------|
| \$0.00 | <<<< To line 11 >>>> Aircraft Lease | | GOGO COCO | Adjusted | version |
| | Analysis | | | | Alpha |
| | AIRCRAFT | Lear 35 | | | Purchase |
| | Based | ALB | | | |
| | Time period - years | | 10 | | |
| | Costs (current year) | | | | |
| | Base aircraft | \$4,325,000.00 | | | |
| | Avionics | \$0.00 | | | |
| | Total cost (on-line year) | | \$4,552,823.70 | (base+avionics inflated) | |
| | Capital charge/yr | | \$0.00 | (total cost/time period) | |
| | Lease charge/yr | | | | |
| | depreciation | \$0.00 | | (wrksht 12) | |
| | interest | \$277,722.25 | | (wrksht 16) | |
| | Tot lease charge/yr | | \$277,722.25 | (dep+int) | |
| | Lease/Purchase charge/yr | | | | |
| | capital | \$455,282.37 | | (total cost/time period) | |
| | interest | \$277,722.25 | | (wrksht 16) | |
| | service charge rate | 0% | | (capital*rate) | |
| | service charge | \$0.00 | | | |
| | Tot lease /purchase chrg/yr | | \$733,004.62 | | |
| | Cost free aircraft | | \$0.00 | (from above) | |
| | | | \$0.00 | Purchase | 1 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|----------------------|---|---------------------|-----------------------|------------------|--|----------|
| (\$20,467.63) | <<<< To line 12 >>>> | Depreciation | | GOGO COCO | Adjusted | |
| Analysis | | | | | | |
| AIRCRAFT | | Lear 35 | | | | Alpha |
| Based | | ALB | | | | Purchase |
| Time period - years | | | 10 | | | |
| Value of aircraft | | | | no | Custom Depreciation? | |
| | Purchase w/ avionics | | \$4,552,823.70 | no | Equation? | |
| | Sale w/ avionics | | \$4,757,500.00 | | | |
| Depreciation/yr | | | | | (\$20,467.63) ((Purchase w/ avionics-Sale w/ avionics)/ time period) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------|--------------------|-----------------------|------|----------------------|-------------------------------------|
| \$15,500.00 | | <<<< To line 13c >>>> | | Self-Insurance | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | Lear 35 | | | Alpha |
| Based | | ALB | | | Purchase |
| Value of aircraft | | \$4,552,823.70 | | | |
| Number of seats | | 6 | | | |
| Insurance factors | | | | | |
| | hull | 0.0000 | | (fm common data cht) | |
| | liability (base) | \$14,000.00 | | (fm common data cht) | |
| | liability (/seat) | \$250.00 | | (fm common data cht) | |
| Tot cost hull | | | | \$0.00 | (value of aircraft*hull ins factor) |
| Liability | | | | | |
| | base | \$14,000.00 | | | |
| | Tot per seat adder | \$1,500.00 | | | (liability ins*num of seats) |
| Tot cost liability | | | | \$15,500.00 | (base+seat adder) |
| Total self ins cost | | | | \$15,500.00 | (Tot hull ins+Tot liability ins) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|------------------------|----------------------|----------------------------|-------------|--------------------|------------------------------|
| \$92,255.07 | <<<< To line 14 >>>> | Operations Overhead | GOGO COCO | Adjusted | version Alpha Purchase |
| Analysis | | | | | |
| AIRCRAFT | | Lear 35 | | | |
| Based | | ALB | | | |
| Admin (a) | | | | | |
| | Grade | GS-14 | | | |
| | Salary | \$84,711.80 | | | |
| | Time allotment % | 12% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | (Salary*Time allotment %+ |
| | Tot (a) | | \$13,464.09 | | Benefits %of salary+Misc) |
| Admin (b) | | | | | |
| | Grade | GS-12 | | | |
| | Salary | \$60,283.52 | | | |
| | Time allotment % | 12% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (b) | | \$9,581.46 | | of salary+Misc) |
| Admin (c) | | | | | |
| | Grade | GS-11 | | | |
| | Salary | \$50,299.39 | | | |
| | Time allotment % | 48% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (c) | | \$31,978.34 | | of salary+Misc) |
| Admin (d) | | | | | |
| | Grade | GS-9 | | | |
| | Salary | \$41,570.31 | | | |
| | Time allotment % | 48% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (d) | | \$26,428.74 | | of salary+Misc) |
| Admin (e) | | | | | |
| | Grade | GS-7 | | | |
| | Salary | \$33,982.75 | | | |
| | Time allotment % | 24% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (e) | | \$10,802.44 | | of salary+Misc) |
| Tot personnel | | | | \$92,255.07 | (sum personnel items) |
| Hanger rental | | \$0.00 | | | |
| Home base tie-down fee | | \$0.00 | | | |
| Office space | | \$0.00 | | | |
| Office supplies | | \$0.00 | | | |
| Utilities | | | | | |
| | Phone | \$0.00 | | | |
| | Electricity | \$0.00 | | | |
| | Oil/Gas heat | \$0.00 | | | |
| | Water | \$0.00 | | | |
| Building maintenance | | \$0.00 | | | |
| misc | | \$0.00 | | | |
| Tot non-personnel | | | | \$0.00 | (sum non-persnnl items) |
| | | | | \$92,255.07 | Total ops ovrrd costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|---|----------|----------------------------|--|
| \$0.00 | <<<< To line 15 >>>> Administrative Overhead | | | |
| Analysis | GOGO COCO | Adjusted | version | |
| AIRCRAFT | Lear 35 | | Alpha | |
| Based | ALB | | Purchase | |
| Admin (a) | | | | |
| Grade | GS-13 | | | |
| Salary | \$71,686.07 | | | |
| Time allotment % | 0% | | | |
| Benefits %of salary | 32.45% | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (a) | | | (Salary*Time allotment %+ | |
| | | \$0.00 | Benefits %of salary+Misc) | |
| Admin (b) | | | | |
| Grade | GS-12 | | | |
| Salary | \$60,283.52 | | | |
| Time allotment % | 0% | | | |
| Benefits %of salary | 32.45% | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (b) | | | (Salary*Time allotment %+ | |
| | | \$0.00 | Benefits %of salary+Misc) | |
| Admin (c) | | | | |
| Grade | GS-11 | | | |
| Salary | \$50,299.39 | | | |
| Time allotment % | 0% | | | |
| Benefits %of salary | 32.45% | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (c) | | | (Salary*Time allotment %+ | |
| | | \$0.00 | Benefits %of salary+Misc) | |
| Tot personnel | | \$0.00 | | |
| Office space | \$0.00 | | | |
| Office supplies | \$0.00 | | | |
| Utilities | | | | |
| Phone | \$0.00 | | | |
| Electricity | \$0.00 | | | |
| Oil/Gas heat | \$0.00 | | | |
| Water | \$0.00 | | | |
| Building maintenance | \$0.00 | | | |
| misc | \$0.00 | | | |
| Tot non-personnel | | \$0.00 | | |
| | | \$0.00 | Total admin overhead costs | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-----------------------------|--|----------------------|----------------|------------------------------------|----------|
| \$166,234.50 | | <<<< To line 16 >>>> | | Cost of Capital or Finance Expense | |
| | | | | GOGO COCO | |
| Analysis | | | | Adjusted | version |
| AIRCRAFT | | Lear 35 | | | Alpha |
| Based | | ALB | | | Purchase |
| Value of aircraft | | | \$4,552,823.70 | | |
| Time period - years | | | 10 | | |
| Interest rate | | | 6.100% | | |
| Annual levelized finan cost | | | | \$166,234.50 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-------------------------|---|----------------------------|--------------------|----------|
| \$882,563.50 | <<<< To line 19 >>>> | Total Contract Cost | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Lear 35 | | | Alpha |
| Based | ALB | | | Purchase |
| Hours flown/yr | | 325 | | |
| Contract vari cost PFH | | \$742.93 | | |
| Contract fixed cost PFH | | \$1,972.65 | | |
| Total cost PFH | | \$2,715.58 | (vari+fixed) | |
| Total cost | | \$882,563.50 | (tot cost PFH*Hrs) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|------|----------|
| \$0.00 | <<<< To line 20a >>>> | Daily Availability/Guarantee hours | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | Lear 35 | | | version |
| Based | ALB | | | Alpha |
| Number guar hrs/yr | | | 0 | Purchase |
| Hourly guar rate | | \$0.00 | | |
| Tot cost of guarantee | | \$0.00 (guar hrs/yr*hourly rate) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|--|-----------------------------|----------|
| \$0.00 | <<<< To line 20b >>>> | Additional Pilot and Crew Charges | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Lear 35 | | | Alpha |
| Based | ALB | | | Purchase |
| Hrs/yr for extra crew | | 0 | | |
| Hourly rate | | \$0.00 | | |
| Tot cost extra crew | | | \$0.00 (hrs/yr*hourly rate) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|--|---------------------------------------|-----------------------------|----------|
| \$0.00 | <<<< To line 20c >>>> | Additional Maintenance Support | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | Lear 35 | | | Alpha |
| Based | ALB | | | Purchase |
| Hours/yr added maint | | 0 | | |
| Hourly rate | | \$61.76 | | |
| Tot added maint cost | | | \$0.00 (hrs/yr*hourly rate) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|--|--|--|----------|
| \$0.00 | <<<< To line 20d >>>> | Airframe Alterations/Equipment Installation | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | Lear 35 | | | version |
| Based | ALB | | | Alpha |
| Time period - yrs | | 10 | | Purchase |
| Airframe alts | | \$0.00 | | |
| Equipment instal | | \$0.00 | | |
| tot alt/install cost | | | \$0.00 (airframe alts+equip instal)/yrs | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------------------|--|-----------------------------------|---|----------|----------|
| \$0.00 | <<<< To line 20e >>>> | | Equipment not Provided by Government | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | Lear 35 | | | | Alpha |
| Based | ALB | | | | Purchase |
| Time period - yrs | | 10 | | | |
| | Item a | \$0.00 | | | |
| | Item b | \$0.00 | | | |
| | Item c | \$0.00 | | | |
| tot equipment cost | | \$0.00 (item a+item b+item c)/yrs | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------------------------|-----------------------|---------|-----------------------------------|----------|----------|
| \$0.00 | <<<< To line 20f >>>> | | Additional Ground Service Support | | |
| Analysis | | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | Lear 35 | | | Alpha |
| Based | | ALB | | | Purchase |
| | item a | | \$0.00 | | |
| | item b | | \$0.00 | | |
| | item c | | \$0.00 | | |
| tot grnd serv spprt cost | | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-------------------------|--|----------------------------|---------------|-------------------------|--|
| \$0.00 | <<<< To line 20g >>>> | Travel and per Diem | | | |
| Analysis | | GOGO COCO | Adjusted | version | |
| AIRCRAFT | Lear 35 | | | Alpha | |
| Based | ALB | | | Purchase | |
| Nights from base/yr | | 0 | | | |
| Per diem rates | | \$0.00 | | | |
| misc costs | | \$0.00 | | | |
| tot trav&per diem costs | | | \$0.00 | (#nights*per diem+misc) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|------------------------------|--|----------------------------------|----------|
| \$0.00 | <<<< To line 20h >>>> | Service Equipment Mileage | |
| Analysis | | GOGO COCO | Adjusted |
| AIRCRAFT | Lear 35 | | version |
| Based | ALB | | Alpha |
| Equipment costs (not hourly) | | | Purchase |
| | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |
| tot eqpt costs | | \$0.00 (item a+item b+item c) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|----------------------------|-----------------------|----------------------------|------|----------|----------|
| \$0.00 | <<<< To line 20i >>>> | Airport Fees | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | Lear 35 | | | | Alpha |
| Based | ALB | | | | Purchase |
| Legs flown/yr | | 260 | | | |
| Airport fees (ave) \$/trip | | \$0.00 | | | |
| tot airport/yr | | \$0.00 (trips/yr*\$ /trip) | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-----------------|-----------------------|-------------------------------|-------------|----------|----------|
| \$0.00 | <<<< To line 20j >>>> | | Other Costs | | |
| Analysis | | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | Lear 35 | | | Alpha |
| Based | | ALB | | | Purchase |
| Other costs | | | | | |
| | item a | \$0.00 | | | |
| | item b | \$0.00 | | | |
| | item c | \$0.00 | | | |
| tot other costs | | \$0.00 (item a+item b+item c) | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|------------|----------------------|----------------------|------|-------------------------------|--|----------|
| \$7,595.86 | | <<<< To line 21 >>>> | | Contract Administrative Costs | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | Lear 35 | | | | | Alpha |
| Based | ALB | | | | | Purchase |
| Admin (a) | | | | | | |
| | Grade | GS-14 | | | | |
| | Salary | \$84,711.80 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits % of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (a) | | | \$0.00 | (Salary*Time allotment %+ Benefits % of salary+Misc) | |
| Admin (b) | | | | | | |
| | Grade | GS-13 | | | | |
| | Salary | \$71,686.07 | | | | |
| | Time allotment % | 8% | | | | |
| | Benefits % of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (b) | | | \$7,595.86 | (Salary*Time allotment %+ Benefits % of salary+Misc) | |
| Admin (c) | | | | | | |
| | Grade | GS-12 | | | | |
| | Salary | \$60,283.52 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits % of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (c) | | | \$0.00 | (Salary*Time allotment %+ Benefits % of salary+Misc) | |
| Admin (d) | | | | | | |
| | Grade | GS-9 | | | | |
| | Salary | \$41,570.31 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits % of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (d) | | | \$0.00 | (Salary*Time allotment %+ Benefits % of salary+Misc) | |
| Admin (e) | | | | | | |
| | Grade | GS-9 | | | | |
| | Salary | \$41,570.31 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits % of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (e) | | | \$0.00 | (Salary*Time allotment %+ Benefits % of salary+Misc) | |
| | | | | \$7,595.86 | Total admin overhead costs | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|---------------------------------------|--|-----------|---------------|---------------------------|
| \$0.00 | <<<< To line 22 >>>> One Time Conversion Costs | | | |
| Analysis | GOGO COCO | | Adjusted | version |
| AIRCRAFT | Lear 35 | | | Alpha |
| Based | ALB | | | Purchase |
| Time period - yrs | 10 | | | |
| Material costs \$/yr | | | \$0.00 | |
| Grade GS-12 | | | | |
| Time allocation % | | 0% | | |
| Severance | \$60,283.52 | | | |
| Moving | \$0.00 | | | |
| Retraining | \$0.00 | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (a) | | | \$0.00 | (sever+move+retrain+misc) |
| Grade GS-12 | | | | |
| Time allocation % | | 0% | | |
| Severance | \$60,283.52 | | | |
| Moving | \$0.00 | | | |
| Retraining | \$0.00 | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (b) | | | \$0.00 | (sever+move+retrain+misc) |
| Grade GS-9 | | | | |
| Time allocation % | | 0% | | |
| Severance | \$41,570.31 | | | |
| Moving | \$0.00 | | | |
| Retraining | \$0.00 | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (c) | | | \$0.00 | (sever+move+retrain+misc) |
| Other 1-time costs \$/yr | | | \$0.00 | |
| Total conversion costs | | | \$0.00 | (sum of above col) |
| Annual allocation of conversion costs | | | \$0.00 | (Tot costs/ysr) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|---|--|------|------------------------------------|
| \$0.00 | <<<< To line 23 >>>> | Gain on Disposal/Transfer of Assets | | |
| | | GOGO | COCO | Adjusted |
| Analysis | | | | version |
| AIRCRAFT | Lear 35 | | | Alpha |
| Based | ALB | | | Purchase |
| Time period - yrs | | 10 | | |
| To be sold/trans | | no | | |
| Value of aircraft | | \$0.00 | | |
| Unpaid balance | | \$0.00 | | |
| Equity in aircraft | | | | \$0.00 (value-unpaid bal) |
| Cost of disposal | | | | \$0.00 |
| Tot gain | | | | \$0.00 (equity - cost of disposal) |
| Gain per time period | | | | \$0.00 (tot gain/yrs) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|-------------------------|---|--------------------------------|------|--------------|-----------------------|---------------------------|
| \$3,624.55 | <<<< To line 28 >>>> | Conversion Differential | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | Lear 35 | | | | | Alpha |
| Based | ALB | | | | | Purchase |
| Time period - years | | 10 | | | | |
| Crew cost PFH | | \$0.00 | | | | |
| Hours flown/yr | | 325 | | | | |
| Tot crew cost (vari) | | | | \$0.00 | (Crew cost PFH*hours) | |
| Tot crew cost (fix) | | | | \$270,199.73 | (line 9) | |
| Ops personnel cost | | | | \$92,255.07 | (wksht 14) | |
| Adm personnel cost | | | | \$0.00 | (wksht 15) | |
| Tot personnel (Convert) | | | | | | \$362,454.80 () |
| New cap acqustn costs | | | | | | \$4,552,823.70 (wksht 11) |
| | A | \$0.00 | | | | |
| | B | \$3,624.55 | | | | |
| | C | \$113,820.59 | | | | |
| | D | \$3,624.55 | | | | |
| | | | | | | \$3,625 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Non-Adjusted XOXO Costs | | | | | |
|-------------------------|------------------------|------------------|------------------------------|------------------------------|--|
| | AIRCRAFT Based | Lear 35 ALB | version Alpha Purchase | | |
| | Gov't cost | Contractor cost | | | |
| | 1st yr | 1st yr | | | |
| variable costs PFH | \$650 | \$712 | | | |
| fixed cost PFH | \$2,072 | \$1,973 | | | |
| total costs PFH | \$2,722 | \$2,685 | | | |
| Flight Hours per Yr | 325 | 10 year analysis | | | |
| | Costs per flight hr | Total Costs | Difference from GOGO | Life of Model Total costs | Life of Model Average cost per flight hr |
| | 1st yr | 1st yr | 1st yr | | |
| GOGO | \$2,722 | \$884,568 | \$0 | \$8,854,111 | \$2,724 |
| COGO | \$2,623 | \$852,331 | (\$32,237) | \$10,114,126 | \$3,112 |
| GOCO | \$2,784 | \$904,745 | \$20,177 | \$9,079,668 | \$2,794 |
| COCO | \$2,685 | \$872,508 | (\$12,060) | \$10,339,682 | \$3,181 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Decision Line | | | | | | |
|-------------------|----|--------------------|------------------------------------|--|---------------------------------------|---|
| AIRCRAFT Based | | Lear 35 ALB | version Alpha Purchase | | 10 year analysis | |
| Initial Structure | to | Terminal Structure | First Year Conversion Differential | First Year Review Line (positive value favors col 1 structure) | Life of Model Conversion Differential | Life of Model Decision Line (positive value favors col 1 structure) |
| GOGO | to | COCO | \$3,625 | (\$8,435) | \$44,082 | \$1,529,653 |
| COGO | to | COCO | \$3,625 | \$23,801 | \$44,082 | \$269,639 |
| GOCO | to | COCO | \$0 | (\$32,237) | \$0 | \$1,260,014 |
| COCO | to | COCO | \$0 | \$0 | \$0 | \$0 NA |
| GOGO | to | GOCO | \$3,625 | \$23,801 | \$44,082 | \$269,639 |
| COGO | to | GOCO | \$117,445 | \$169,859 | \$1,392,605 | \$358,147 |
| GOCO | to | GOCO | \$0 | \$0 | \$0 | \$0 NA |
| COCO | to | GOCO | \$113,821 | \$146,058 | \$1,348,523 | \$88,508 |
| GOGO | to | COGO | \$0 | (\$32,237) | \$0 | \$1,260,014 |
| COCO | to | COCO | \$0 | \$0 | \$0 | \$0 NA |
| GOCO | to | COGO | \$3,625 | (\$48,789) | \$44,082 | \$1,078,540 |
| COCO | to | COGO | \$3,625 | (\$16,552) | \$44,082 | (\$181,475) |
| GOCO | to | GOCO | \$0 | \$0 | \$0 | \$0 NA |
| COGO | to | GOGO | \$113,821 | \$146,058 | \$1,348,523 | \$88,508 |
| GOCO | to | GOGO | \$3,625 | (\$16,552) | \$44,082 | (\$181,475) |
| COCO | to | GOGO | \$117,445 | \$129,505 | \$1,392,605 | (\$92,966) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

| | | | |
|-----------------|--------------|-----------------------|-------------------|
| <u>Aircraft</u> | <u>Based</u> | <u>Analysis</u> | <u>Version</u> |
| DHC 6-300 | ALB | GOGO COCO Adjusted | Alpha Purchase |
| | | 1st Year Values | |

DIRECT OPERATION COSTS PER FLIGHT HOUR (PFH)

| | | | |
|----|---|----------|-----------------|
| 1. | Fuel and Lubricants | | \$123.60 |
| 2. | Crew Cost (PFH) | | \$0.00 |
| 3. | Aircraft Lease or Rental | | \$0.00 |
| 4. | Landing Fee and Tie-Down | | \$0.00 |
| 5. | Maintenance and Spares | | |
| a. | Labor cost (\$ per hour multiplied by man-hours PFH) | \$48.17 | |
| b. | Reserve for retirement items | \$119.98 | |
| c. | Reserve for engine overhaul and repairs | \$1.60 | |
| d. | Reserve for major component overhaul and other life-limited items | \$0.00 | |
| e. | Reserve for aircraft refurbishment and miscellaneous | \$0.00 | |
| f. | Unscheduled maintenance | \$0.00 | |
| g. | Total direct maintenance and spares | | \$169.75 |
| 6. | Total Direct Operating Cost PFH | | \$293.35 |
| 7. | Flight Hours for PWS | | 255 |
| 8. | TOTAL DIRECT OPERATING COST (line 6 multiplied by line 7) | | \$74,805 |

FIXED OPERATION ANNUAL COST

| | | | |
|-----|---|---------|------------------|
| 9. | Crew Costs | | \$174,860 |
| 10. | Maintenance Costs | | \$13,224 |
| 11. | Aircraft Lease | | \$0 |
| 12. | Depreciation | | (\$25,660) |
| 13. | Self-Insurance Costs | | |
| a. | Liability | \$9,500 | |
| b. | Casualty | \$6,007 | |
| c. | Total Self-Insurance Cost | | \$15,507 |
| 14. | Operations Overhead | | \$92,255 |
| 15. | Administrative Overhead | | \$11,977 |
| 16. | Cost of Capital or Finance Expense | | \$66,621 |
| 17. | TOTAL FIXED OPERATING ANNUAL COST (sum lines 9 thru 16) | | \$348,784 |
| 18. | TOTAL IN-HOUSE PERFORMANCE COST (line 8 + line 17) | | \$423,589 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

Aircraft
DHC 6-300

Based
ALB

Analysis
GOGO|COCO
Adjusted

1st Year
Values

Version
Alpha
Purchase

CONTRACT AVIATION OPERATIONS COST WORKSHEET

| | | |
|-----|--|------------------|
| 19. | Contract Cost (rate*hrs/yr) | \$496,513 |
| 20. | Cost Construction to Meet PWS | |
| a. | Daily availability/guarantee hours | \$0 |
| b. | Additional pilot and crew charges | \$0 |
| c. | Additional maintenance support | \$0 |
| d. | Airframe alteration/equipment installation | \$0 |
| e. | Equipment not provided by Government | \$0 |
| f. | Additional ground service support | \$0 |
| g. | Travel and per diem | \$0 |
| h. | Service equipment mileage | \$0 |
| i. | Airport fees | \$0 |
| j. | Other costs | \$0 |
| 21. | Contract Administration Costs | \$7,596 |
| 22. | One-time Conversion Costs | \$0 |
| 23. | Gain on Disposal/Transfer of Assets (deduct cost) | \$0 |
| 24. | Federal Income Tax (line 19*2% deduct cost) | (\$9,930) |
| 25. | TOTAL CONVERSION & ADMINISTRATIVE COST (sum lines 19-25) | \$494,179 |

IN-HOUSE VS CONTRACT PERFORMANCE

10 year analysis

| | Performance periods | | | | TOTAL |
|---|---------------------|-----------|-----------|-------------|-------------|
| | 1st (mil) | 2nd (mil) | 3rd (mil) | add'l (mil) | |
| 26. In-house Performance | \$0.45 | \$0.45 | \$0.45 | \$3.35 | \$4,700,935 |
| 27. Contract Performance | \$0.52 | \$0.53 | \$0.55 | \$4.26 | \$5,857,313 |
| 28. Conversion Differential | | | | | \$33,943 |
| 29. Adjusted Total Cost of Contract Performance | | | | | \$5,891,257 |
| 30. Decision (line 29 minus line 26) | | | | | \$1,190,322 |
| 31. COST COMPARISON DECISION: | Accomplish Work | | | | |
| | In-house | | | | Yes |
| | contract | | | | No |

Analysis Model Developed by
David D. Darling, 303-279-7458
Golden CO 80401,
Version April 2000

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Common Data

| | | | | | |
|---------------------------------------|-----------|-----|--------|-------------|--|
| Version | Alpha | | | | |
| Aircraft | DHC 6-300 | | | | |
| Based | ALB | | | | |
| Hours flown/yr | 255 | | | | |
| Legs flown/yr | 437 | | | | |
| Nights from base/yr | 0 | | | | |
| Salary Benefits | 32.45% | | | | |
| Maint labor rate-\$/hr | \$61.76 | | | | |
| Period of analysis-yrs (max 10 years) | 10 | | | | |
| Current year | 2000 | | | | |
| On-line year | 2002 | | | | |
| Interest rate | 6.100% | | | | |
| Unadjusted analysis? (e.g. startup) | no | | | | |
| Government owned? | beginning | yes | ending | Adjusted no | |
| Government operated? | beginning | yes | ending | no | |
| Analysis | GOGO | | to | COCO | |

| | | | |
|--------------------|---------------|--------------|----------|
| Payment instrument | is it "free"? | lease years? | purchase |
| | no | 0 | yes |

Insurance Calculations

| | | | | | |
|-----------|-----------|---|--------|------------|----------|
| DHC 6-300 | turboprop | 6 | 0.0055 | \$8,000.00 | \$250.00 |
|-----------|-----------|---|--------|------------|----------|

| aircraft | eng type | seats | eng type | hull ins factor | liability ins base | liability ins plus/seat |
|-----------|-----------|-------|-------------------|-----------------|--------------------|-------------------------|
| DHC 6-300 | turboprop | 6 | helicopter | 6.000% | \$6,000 | \$250 |
| | | | jet | 0.000% | \$14,000 | \$250 |
| | | | single eng piston | 1.100% | \$575 | \$250 |
| | | | turboprop | 0.550% | \$8,000 | \$250 |
| | | | Twin eng piston | 1.100% | \$750 | \$250 |

NOTE: MUST SORT DATA (COLS A,B&C) IN ASCENDING ORDER BY COL "A"

Source: Based on PWS requirements.

I

NOTE: MUST SORT DATA (COLS A, B, C & D) IN ASCENDING ORDER BY COL "A"

Source:
GSA Aircraft Management Policy Div, Transmittal Letter Sep 15, 1997

II

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Update Data

| Inflation factors from OMB | | 1 | | 2 | |
|----------------------------|----|----------------|-------|---------------|-------|
| | | wages/salaries | accum | non-pay items | accum |
| 2000 | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| 2001 | 1 | 3.0% | 3.0% | 2.6% | 2.6% |
| 2002 | 2 | 3.0% | 6.1% | 2.6% | 5.3% |
| 2003 | 3 | 3.0% | 9.3% | 2.6% | 8.0% |
| 2004 | 4 | 3.0% | 12.6% | 2.6% | 10.8% |
| 2005 | 5 | 3.0% | 15.9% | 2.6% | 13.7% |
| 2006 | 6 | 3.0% | 19.4% | 2.6% | 16.6% |
| 2007 | 7 | 3.0% | 23.0% | 2.6% | 19.7% |
| 2008 | 8 | 3.0% | 26.7% | 2.6% | 22.8% |
| 2009 | 9 | 3.0% | 30.5% | 2.6% | 26.0% |
| 2010 | 10 | 3.0% | 34.4% | 2.6% | 29.3% |
| 2011 | 11 | 3.0% | 38.4% | 2.6% | 32.6% |
| 2012 | 12 | 3.0% | 42.6% | 2.6% | 36.1% |
| 2013 | 13 | 3.0% | 46.9% | 2.6% | 39.6% |
| 2014 | 14 | 3.0% | 51.3% | 2.6% | 43.2% |

Source: Inflation factors; OMB
transmittal number 17;Feb 13,
1997.

III

Basic National Payscale 1998

| | |
|-------|-----------|
| GS-10 | \$39,811 |
| GS-11 | \$47,412 |
| GS-12 | \$56,823 |
| GS-13 | \$67,571 |
| GS-14 | \$79,849 |
| GS-15 | \$86,652 |
| GS-2 | \$16,851 |
| GS-3 | \$18,996 |
| GS-4 | \$21,324 |
| GS-5 | \$23,860 |
| GS-6 | \$26,593 |
| GS-7 | \$32,032 |
| GS-8 | \$32,728 |
| GS-9 | \$39,184 |
| SES-1 | \$104,577 |
| SES-2 | \$109,531 |
| SES-3 | \$114,486 |
| SES-4 | \$120,706 |
| SES-5 | \$124,817 |
| SES-6 | \$124,817 |

NOTE: MUST SORT DATA
(COLS A&B) IN ASCENDING
ORDER BY COL "A"

IV

Increment over Basic National Payscale

| | |
|-----|-------|
| DEN | 2.88% |
| ALB | 0.00% |
| HUR | 0.00% |
| MTR | 0.00% |
| RMR | 0.00% |
| SNR | 2.11% |

NOTE: MUST
SORT DATA
(COLS A&B) IN
ASCENDING
ORDER BY COL
"A"

V

Source: OMP, 1998

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Aircraft
DHC 6-300

Based
ALB

Analysis
GOGO|COCO
Adjusted

Version
Alpha
Purchase

Line-by-Line Front End A-76

| | | START | | NOTES |
|--------------------------|--|---------|----------|----------------|
| | | V | V | |
| Fuels & Lubs In 1 | Fuel type | Jet A | | |
| | Consumption (gal/hr) | | 80 | |
| | % DOD | | 100% | |
| | unit cost \$/gal DOD | | \$1.50 | |
| | unit cost \$/gal COMM | | \$2.00 | |
| | Other consumables | | 3% | oil |
| Crew Costs In 2 | Rental rate/day | | \$0.00 | |
| | per diem rate | | \$0.00 | |
| | Number of crew | | 2 | |
| | Grade (for overtime) | GS-12 | | |
| | Num hourly crew (a) | | 0 | |
| | Straight time hrs/yr | | 2087 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime factor | | 1.5 | |
| | Num hourly crew (b) | | 0 | |
| | Straight time hrs/yr | | 0 | |
| | Hourly wage rate | | \$0.00 | |
| | Overtime hrs/yr | | 0 | |
| | Overtime rate | | 0 | |
| | Misc/yr | | | |
| | Total variable crew costs | | \$0.00 | |
| | Item b | | \$0.00 | |
| | Item c | | \$0.00 | |
| Lease/Rent In 3 | Lease/Rent Flt Hrs/yr | | | |
| | a plane | | 0 | |
| | b plane | | 0 | |
| | c plane | | 0 | |
| | Lease/Rent rates/hr | | | |
| | a plane | | \$0.00 | |
| | b plane | | \$0.00 | |
| | c plane | | \$0.00 | |
| Landing/Tie-down In 4 | Landing fee /td | | \$0.00 | |
| | Tie-down fee/day | | \$0.00 | |
| Maint/Spare In 5 | Maint labor man-hrs PFH | | .7800 | A/C Cost Eval. |
| | Res for engine restoration PFH | | \$119.98 | A/C Cost Eval. |
| | Res for dynamic component & life limited parts PFH | | \$1.60 | A/C Cost Eval. |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| | misc | | \$0.00 | |
| Crew Cost Fixed In 9 | Crew (a) | | | |
| | Grade | GS-13 | | |
| | Time allotment % | | 100% | |
| | Training costs \$/yr | | \$33.00 | |
| | Crew (b) | | | |
| | Grade | GS-12 | | |
| | Time allotment % | | 100% | |
| | Training costs \$/yr | | \$33.00 | |
| Crew (c) | Grade | GS-11 | | |
| | Time allotment % | | 0% | |
| | Training costs \$/yr | | \$0.00 | |
| Maint Cost In 10 | Airframe,sys,instmt | hrs PFH | 0.00 | |
| | Avionics | hrs PFH | 0.00 | |
| | misc | hrs PFH | 0.00 | |
| | item (d) | hrs PFH | 0.00 | |
| | Material costs | | \$0.00 | |
| | Airframe,sys,instmt | \$ PFH | \$51.86 | A/C Cost Eval. |
| | Avionics | \$ PFH | \$0.00 | |
| | misc | \$ PFH | \$0.00 | |
| | item (d) | \$ PFH | \$0.00 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Aircraft
DHC 6-300

Based
ALB

Analysis
GOGO | COCO
Adjusted

Version
Alpha
Purchase

| | | | |
|--|-----------------------------|----------------|---------------------------------|
| | Sched inspect items | \$0.00 | |
| | Airframe,sys,instmt hrs PFH | 0.00 | |
| | item (b) hrs PFH | 0.00 | |
| | item (c) hrs PFH | 0.00 | |
| | item (d) hrs PFH | 0.00 | |
| | misc Tot\$ | \$0.00 | |
| | | | |
| Aircraft Lease In 11 | Costs (current year) | | |
| | Base aircraft | \$1,037,500.00 | Ave. of the two |
| | Avionics | \$0.00 | |
| | service charge rate | 0% | |
| | | | |
| Depreciation In 12 | Value of aircraft | | |
| | Sale w/ avionics | \$1,348,750.00 | |
| | | | |
| | Custom Depreciation? | no | If "yes" - list residual values |
| | custom seq (per yr) | | |
| | | \$0 | ----- START HERE 2002 |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | \$0 | |
| | | | |
| | Equation? | no | If "yes" - list coefficients |
| | Equation coef | value | |
| | a | 0 | ----- START HERE |
| | b | 0 | |
| | c | 0 | |
| | d | 0 | |
| | e | 0 | |
| | f | 0 | |
| | | | |
| FORM: $y = ax^5 + bx^4 + cx^3 + dx^2 + ex + f$ | | | |
| | | | |
| Self-Insurance In 13c | Auto-Calculation | | |
| | | | |
| Ops Overhead In 14 | Admin (a) | | |
| | Grade GS-14 | | |
| | Time allotment % | 12% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (b) | | |
| | Grade GS-12 | | |
| | Time allotment % | 12% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (c) | | |
| | Grade GS-11 | | |
| | Time allotment % | 48% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (d) | | |
| | Grade GS-9 | | |
| | Time allotment % | 48% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Admin (e) | | |
| | Grade GS-7 | | |
| | Time allotment % | 24% | |
| | Misc accounts \$/yr | \$0.00 | |
| | Hangar rental /yr | \$0.00 | |
| | Home base tie-down fee /yr | \$0.00 | |
| | Office space /yr | \$0.00 | |
| | Office supplies /yr | \$0.00 | |
| | Utilities per yr | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|-----------------|--------------|-----------------|----------------|
| <u>Aircraft</u> | <u>Based</u> | <u>Analysis</u> | <u>Version</u> |
| DHC 6-300 | ALB | GOGO COCO | Alpha |
| | | Adjusted | Purchase |

| | | | | |
|-------------------------|------------------------------|---------------------|------------|----------------|
| | | Phone | \$0.00 | |
| | | Electricity | \$0.00 | |
| | | Oil/Gas heat | \$0.00 | |
| | | Water | \$0.00 | |
| | Building maintenance /yr | | \$0.00 | |
| | misc /yr | | \$0.00 | |
| | | | | |
| Admin Overhead | Admin (a) | | | |
| In 15 | | Grade GS-13 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (b) | | | |
| | | Grade GS-12 | | |
| | | Time allotment % | 15% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (c) | | | |
| | | Grade GS-11 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Office space /yr | | \$0.00 | |
| | Office supplies /yr | | \$0.00 | |
| | Utilities /yr | | | |
| | | Phone | \$0.00 | |
| | | Electricity | \$0.00 | |
| | | Oil/Gas heat | \$0.00 | |
| | | Water | \$0.00 | |
| | Building maintenance /yr | | \$0.00 | |
| | misc /yr | | \$0.00 | |
| | | | | |
| Cost Cap/Finance | Auto-Calculation | | | |
| In 16 | | | | |
| | | | | |
| Contract Cost | Contract vari cost PFH | | \$342.11 | A/C Cost Eval. |
| In 19 | Contract fixed cost PFH | | \$1,605.00 | A/C Cost Eval. |
| | | | | |
| Daily Avail/Guar | Number guar hrs/yr | | 0 | |
| In 20a | Hourly guar rate | | \$0.00 | |
| | | | | |
| Add'l Pilot Crew | Hrs/yr for extra crew | | 0 | |
| In 20b | Hourly rate | | \$0.00 | |
| | | | | |
| Add'l Maint | Hours/yr added maint | | 0 | |
| In 20c | | | | |
| | | | | |
| Airfrm Alt/Eqpt Install | Airframe alts | | \$0.00 | |
| In 20d | Equipment instal | | \$0.00 | |
| | | | | |
| None Gov't Eqpt | Item a | | \$0.00 | |
| In 20e | Item b | | \$0.00 | |
| | Item c | | \$0.00 | |
| | | | | |
| Add'l Gnd Suprt | item a | | \$0.00 | |
| In 20f | item b | | \$0.00 | |
| | item c | | \$0.00 | |
| | | | | |
| Travel&/diem | Per diem rates | | \$0.00 | |
| In 20g | misc costs | | \$0.00 | |
| | | | | |
| Servic Eqpt Milage | Equipment costs (not hourly) | | | |
| In 20h | item a | | \$0.00 | |
| | item b | | \$0.00 | |
| | item c | | \$0.00 | |
| | | | | |
| Airport Fees | Airport fees (ave) \$/trip | | \$0.00 | |
| In 20i | | | | |
| | | | | |
| Other costs | | | | |
| In 20j | item a | | \$0.00 | |
| | item b | | \$0.00 | |
| | item c | | \$0.00 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Aircraft DHC 6-300 | Based ALB | Analysis GOGO | COCO Adjusted | Version Alpha Purchase |
|----------------------------------|--------------------------|---------------------|------------------|------------------------------|
| Con't'r Admin Costs In 21 | Admin (a) | Grade GS-14 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (b) | Grade GS-13 | | |
| | | Time allotment % | 8% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (c) | Grade GS-12 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (d) | Grade GS-9 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (e) | Grade GS-9 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| One-time Conv'n Costs In 22 | Material costs \$/yr | Grade GS-12 | \$0.00 | |
| | | Time allocation % | 0% | |
| | | Moving | \$0.00 | |
| | | Retraining | \$0.00 | |
| | | Misc accounts \$/yr | \$0.00 | |
| | | Grade GS-12 | | |
| | | Time allocation % | 0% | |
| | | Moving | \$0.00 | |
| | | Retraining | \$0.00 | |
| | | Misc accounts \$/yr | \$0.00 | |
| | | Grade GS-9 | | |
| | | Time allocation % | 0% | |
| | | Moving | \$0.00 | |
| | | Retraining | \$0.00 | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Other 1-time costs \$/yr | | \$0.00 | |
| Gain on Disp'l/Transfer In 23 | To be sold/trans | | no | |
| | Value of aircraft | | \$0.00 | |
| | Unpaid balance | | \$0.00 | |
| | Cost of disposal | | \$0.00 | |
| Conversion Differential In 28 | Auto-Calculation | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | | |
|----------------------------|--|---|---|--|--|----------|--|
| \$123.60 | <<<< To line 1 >>>> | Total Costs Fuels and Lubricants (PFH) | | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version | |
| AIRCRAFT | | DHC 6-300 | | | | Alpha | |
| Based | | ALB | | | | Purchase | |
| Fuel type | | Jet A | | | | | |
| Consumption (gal/hr) | | | 80 | | | | |
| % DOD | | | 100% | | | | |
| unit cost \$/gal | | | \$1.50 | | | | |
| | % other | | 0% | | | | |
| unit cost \$/gal | | | \$2.00 | | | | |
| DOD fuel cost | | \$120.00 | (Consumption (gal/hr) * % DOD * unit cost \$/gal DOD) | | | | |
| Other fuel cost | | \$0.00 | (Consumption (gal/hr) * % other * unit cost \$/gal other) | | | | |
| Total fuel cost PFH | | | \$120.00 | | | | |
| Other consumables | | 3% | \$3.60 | | | | |
| Total costs fuels&lubs PFH | | | \$123.60 | (Total fuel cost PFH+Tot lub cost PFH) | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------------|--|-------------------------|------|------------|---|
| \$0.00 | <<<< To line 2 >>>> | Crew Costs (PFH) | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | DHC 6-300 | | | | Alpha |
| Based | ALB | | | | Purchase |
| Hours flown/yr | | 255 | | | |
| Nights from base/yr | | 0 | | | |
| Rental rate/day | | \$0.00 | | | |
| Days of car rental | | 0 | | | |
| per diem rate | | \$0.00 | | | (Nights from base/yr*per diem rate* |
| Number of crew | | 2 | | | Number of crew+car rate*days rented)/ |
| | | | | \$0.00 PFH | Hours flown/yr |
| Grade (for overtime) | GS-12 | | | | |
| Num hourly crew (a) | | 0 | | | |
| Straight time hrs/yr | | 2087 | | | |
| Hourly wage rate | | \$28.89 | | | |
| Overtime hrs/yr | | 0 | | | |
| Overtime factor | | 1.5 | | | (Num hourly crew (a)*(Straight time hrs/yr* |
| Overtime rate | | \$43.33 | | | Hourly wage rate+Overtime hrs/yr* |
| | | | | \$0.00 PFH | Overtime rate)/Hours flown/yr) |
| Num hourly crew (b) | | 0 | | | |
| Straight time hrs/yr | | 0 | | | |
| Hourly wage rate | | \$0.00 | | | |
| Overtime hrs/yr | | 0 | | | |
| Overtime factor | | 1.5 | | | (Num hourly crew (a)*(Straight time hrs/yr* |
| Overtime rate | | 0 | | | Hourly wage rate+Overtime hrs/yr* |
| | | | | \$0.00 PFH | Overtime rate)/Hours flown/yr) |
| Misc/yr | | | | | |
| Total variable crew costs | | \$0.00 | | | |
| Item b | | \$0.00 | | | |
| Item c | | \$0.00 | | | |
| | | | | \$0.00 PFH | ((Item a + Item b + Item c)/hrs) |
| | | | | \$0.00 PFH | (sum of items above) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|--------|--|
| \$0.00 | <<<< To line 3 >>>> | Total Aircraft Lease or Rental Costs (PFH) | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | | DHC 6-300 | | version |
| Based | | ALB | | Alpha |
| Lease/Rent Flt Hrs/yr | | | | Purchase |
| a plane | | 0 | | |
| b plane | | 0 | | |
| c plane | | 0 | | |
| Total Lse/Rnt Hrs/yr | | | | 0 (a plane hrs +b plane hrs +c plane hrs) |
| Lease/Rent rates/hr | | | | |
| a plane | | \$0.00 | | |
| b plane | | \$0.00 | | |
| c plane | | \$0.00 | | |
| Annual Costs | | | | |
| a plane | | | \$0.00 | (a plane hrs* a plane rate) |
| b plane | | | \$0.00 | (b plane hrs* b plane rate) |
| c plane | | | \$0.00 | (c plane hrs* c plane rate) |
| Total Annual \$Ls/Rt | | | \$0.00 | (a plane \$/yr +b plane \$/yr + c plane \$/yr) |
| | | | \$0.00 | PFH (Total \$/yr / Total Flt hrs/yr) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|------------------------------------|---------------------------------|
| \$0.00 | <<<< To line 4 >>>> | Total Landing Fee and Tie-Down costs (PFH) | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | DHC 6-300 | | | version |
| Based | ALB | | | Alpha |
| Hours flown/yr | | 255 | | Purchase |
| Legs flown/yr | | 437 | | |
| Landing fee /td | | \$0.00 | | |
| Total landing fee/yr | | | \$0.00 | (landings*landing fee) |
| Nights from base/yr | | 0 | | |
| Tie-down fee/day | | \$0.00 | | |
| Total tie-down fee/yr | | | \$0.00 | (Nights form base*tie-down fee) |
| | | | PFH ((Tot landing fee + | |
| | | | \$0.00 tot tie-down fee) / hrs/yr) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------------------------|---|---|-----------------|----------|---|
| \$169.75 | <<<< To line 5g >>>> | Total Maintenance and Spares Costs (PFH) | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | DHC 6-300 | | | Alpha |
| Based | | ALB | | | Purchase |
| Hours flown/yr | | 255 | | | |
| Maint labor man-hrsPFH | | .7800 | | | |
| Labor rate \$/hr | | \$61.76 | | | |
| | | | \$48.17 PFH | (5a) | (Maint labor man-hrsPFH* Labor rate \$/hr) |
| Res for retirement items | | | \$119.98 | PFH | (5b) |
| Res for eng overhl & rpr | | | \$1.60 | PFH | (5c) |
| Res for maj comp overhl | | | \$0.00 | PFH | (5d) |
| Res for refurb & misc | | | \$0.00 | PFH | (5e) |
| Unscheduled Maint | | | \$0.00 | PFH | (5f) |
| | | | \$169.75 | PFH | (sum items 5a-5f) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|---------------------|--|---------------------------|--|
| \$174,859.73 | <<<< To line 9 >>>> | Crew Costs (fixed) | |
| Analysis | | GOGO COCO | Adjusted |
| AIRCRAFT | DHC 6-300 | | version |
| Based | ALB | | Alpha |
| Crew (a) | | | Purchase |
| | Grade GS-13 | | |
| | Salary | \$71,686.07 | |
| | Time allotment % | 100% | |
| | Benefits %of salary | 32.45% | |
| | Training costs \$/yr | \$33.00 | |
| | Tot (a) | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | \$94,981.20 | |
| Crew (b) | Grade GS-12 | | |
| | Salary | \$60,283.52 | |
| | Time allotment % | 100% | |
| | Benefits %of salary | 32.45% | |
| | Training costs \$/yr | \$33.00 | |
| | Tot (b) | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | \$79,878.52 | |
| Crew (c) | Grade GS-11 | | |
| | Salary | \$50,299.39 | |
| | Time allotment % | 0% | |
| | Benefits %of salary | 32.45% | |
| | Training costs \$/yr | \$0.00 | |
| | Tot (c) | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | \$0.00 | |
| | | \$174,859.73 | Total crew costs (fixed) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-------------------------------|---|--------------------------|--------------------|--------------------|---|
| \$13,224.30 | <<<< To line 10 >>>> | Maintenance Costs | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | DHC 6-300 | | | Alpha |
| Based | | ALB | | | Purchase |
| Hours flown/yr | | 255 | | | |
| labor rate \$/hr | | \$61.76 | | | |
| Sched maint items | | | | | |
| Airframe,sys,instmt | hrs PFH | 0.00 | \$0.00 | | (hrs*rate a*hrsPFH) |
| Avionics | hrs PFH | 0.00 | \$0.00 | | (hrs*rate b*hrsPFH) |
| misc | hrs PFH | 0.00 | \$0.00 | | (hrs*rate c*hrsPFH) |
| item (d) | hrs PFH | 0.00 | \$0.00 | | (hrs*rate d*hrsPFH) |
| Material costs | | | | | |
| Airframe,sys,instmt | \$ PFH | \$51.86 | \$13,224.30 | | |
| Avionics | \$ PFH | \$0.00 | \$0.00 | | |
| misc | \$ PFH | \$0.00 | \$0.00 | | |
| item (d) | \$ PFH | \$0.00 | \$0.00 | | |
| Tot sched maint cost | | | | \$13,224.30 | (sum all maint) |
| Sched inspect items | | | | | |
| Airframe,sys,instmt | hrs PFH | \$0.00 | \$0.00 | | (hrs*rate a*hrsPFH) |
| item (b) | hrs PFH | \$0.00 | \$0.00 | | (hrs*rate b*hrsPFH) |
| item (c) | hrs PFH | \$0.00 | \$0.00 | | (hrs*rate c*hrsPFH) |
| item (d) | hrs PFH | \$0.00 | \$0.00 | | (hrs*rate d*hrsPFH) |
| Tot sched inspect cost | | | | \$0.00 | (sum all inspect items) |
| misc Tot\$ | | | | \$0.00 | |
| | | | | | (Sched maint+ \$13,224.30 Sched inspect) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------|---|-----------------------|--|----------------|--------------------------|
| \$0.00 | <<<< To line 11 >>>> | Aircraft Lease | | | |
| | Analysis | GOGO COCO | | Adjusted | version |
| | AIRCRAFT | DHC 6-300 | | | Alpha |
| | Based | ALB | | | Purchase |
| | Time period - years | 10 | | | |
| | Costs (current year) | | | | |
| | Base aircraft | \$1,037,500.00 | | | |
| | Avionics | \$0.00 | | | |
| | Total cost (on-line year) | | | \$1,092,151.35 | (base+avionics inflated) |
| | Capital charge/yr | | | \$0.00 | (total cost/time period) |
| | Lease charge/yr | | | | |
| | depreciation | \$0.00 | | | (wrksht 12) |
| | interest | \$66,621.23 | | | (wrksht 16) |
| | Tot lease charge/yr | | | \$66,621.23 | (dep+int) |
| | Lease/Purchase charge/yr | | | | |
| | capital | \$109,215.14 | | | (total cost/time period) |
| | interest | \$66,621.23 | | | (wrksht 16) |
| | service charge rate | 0% | | | |
| | service charge | \$0.00 | | | (capital*rate) |
| | Tot lease /purchase chrg/yr | | | \$175,836.37 | |
| | Cost free aircraft | | | \$0.00 | (from above) |
| | | | | \$0.00 | Purchase 1 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|----------------------|---|-----------------------|----|------------------|----------------------|--|
| (\$25,659.86) | <<<< To line 12 >>>> | Depreciation | | GOGO COCO | Adjusted | |
| Analysis | | | | | | |
| AIRCRAFT | | DHC 6-300 | | | | Alpha |
| Based | | ALB | | | | Purchase |
| Time period - years | | | 10 | | | |
| Value of aircraft | | | | no | Custom Depreciation? | |
| Purchase w/ avionics | | \$1,092,151.35 | | no | Equation? | |
| Sale w/ avionics | | \$1,348,750.00 | | | | |
| Depreciation/yr | | | | | | |
| | | | | | | (\$25,659.86) ((Purchase w/ avionics-Sale w/ avionics)/ time period) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------|--------------------|-----------------------|-------------|-------------------------------------|----------|
| \$15,506.83 | | <<<< To line 13c >>>> | | Self-Insurance | |
| Analysis | | | GOGO | COCO | Adjusted |
| AIRCRAFT | | DHC 6-300 | | | version |
| Based | | ALB | | | Alpha |
| Value of aircraft | | \$1,092,151.35 | | | Purchase |
| Number of seats | | 6 | | | |
| Insurance factors | | | | | |
| | hull | 0.0055 | | (fm common data cht) | |
| | liability (base) | \$8,000.00 | | (fm common data cht) | |
| | liability (/seat) | \$250.00 | | (fm common data cht) | |
| Tot cost hull | | | \$6,006.83 | (value of aircraft*hull ins factor) | |
| Liability | | | | | |
| | base | \$8,000.00 | | | |
| | Tot per seat adder | \$1,500.00 | | (liability ins*num of seats) | |
| Tot cost liability | | | \$9,500.00 | (base+seat adder) | |
| Total self ins cost | | | \$15,506.83 | (Tot hull ins+Tot liability ins) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|------------------------|---|----------------------------|-------------|--------------------|-------------------------------|
| \$92,255.07 | <<<< To line 14 >>>> | Operations Overhead | | | |
| Analysis | | GOGO/COCO | Adjusted | | version |
| AIRCRAFT | | DHC 6-300 | | | Alpha |
| Based | | ALB | | | Purchase |
| Admin (a) | | | | | |
| | Grade | GS-14 | | | |
| | Salary | \$84,711.80 | | | |
| | Time allotment % | 12% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | (Salary*Time allotment %+ |
| | Tot (a) | | \$13,464.09 | | Benefits %of salary+Misc) |
| Admin (b) | | | | | |
| | Grade | GS-12 | | | |
| | Salary | \$60,283.52 | | | |
| | Time allotment % | 12% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (b) | | \$9,581.46 | | of salary+Misc) |
| Admin (c) | | | | | |
| | Grade | GS-11 | | | |
| | Salary | \$50,299.39 | | | |
| | Time allotment % | 48% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (c) | | \$31,978.34 | | of salary+Misc) |
| Admin (d) | | | | | |
| | Grade | GS-9 | | | |
| | Salary | \$41,570.31 | | | |
| | Time allotment % | 48% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (d) | | \$26,428.74 | | of salary+Misc) |
| Admin (e) | | | | | |
| | Grade | GS-7 | | | |
| | Salary | \$33,982.75 | | | |
| | Time allotment % | 24% | | | |
| | Benefits %of salary | 32.45% | | | (Salary*Time |
| | Misc accounts \$/yr | \$0.00 | | | allotment %+Benefits % |
| | Tot (e) | | \$10,802.44 | | of salary+Misc) |
| Tot personnel | | | | \$92,255.07 | (sum personnel items) |
| Hanger rental | | \$0.00 | | | |
| Home base tie-down fee | | \$0.00 | | | |
| Office space | | \$0.00 | | | |
| Office supplies | | \$0.00 | | | |
| Utilities | | | | | |
| | Phone | \$0.00 | | | |
| | Electricity | \$0.00 | | | |
| | Oil/Gas heat | \$0.00 | | | |
| | Water | \$0.00 | | | |
| Building maintenance | | \$0.00 | | | |
| misc | | \$0.00 | | | |
| Tot non-personnel | | | | \$0.00 | (sum non-persnrl items) |
| | | | | \$92,255.07 | Total ops ovrrhd costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|----------------------|---|---|----------------------------|
| \$11,976.83 | <<<< To line 15 >>>> Administrative Overhead | | |
| Analysis | GOGO COCO | Adjusted | version |
| AIRCRAFT | DHC 6-300 | | Alpha |
| Based | ALB | | Purchase |
| Admin (a) | | | |
| Grade | GS-13 | | |
| Salary | \$71,686.07 | | |
| Time allotment % | 0% | | |
| Benefits % of salary | 32.45% | | |
| Misc accounts \$/yr | \$0.00 | | |
| Tot (a) | | (Salary*Time allotment %+ \$0.00 Benefits % of salary+Misc) | |
| Admin (b) | | | |
| Grade | GS-12 | | |
| Salary | \$60,283.52 | | |
| Time allotment % | 15% | | |
| Benefits % of salary | 32.45% | | |
| Misc accounts \$/yr | \$0.00 | | |
| Tot (b) | | (Salary*Time allotment %+ \$11,976.83 Benefits % of salary+Misc) | |
| Admin (c) | | | |
| Grade | GS-11 | | |
| Salary | \$50,299.39 | | |
| Time allotment % | 0% | | |
| Benefits % of salary | 32.45% | | |
| Misc accounts \$/yr | \$0.00 | | |
| Tot (c) | | (Salary*Time allotment %+ \$0.00 Benefits % of salary+Misc) | |
| Tot personnel | | \$11,976.83 | |
| Office space | \$0.00 | | |
| Office supplies | \$0.00 | | |
| Utilities | | | |
| Phone | \$0.00 | | |
| Electricity | \$0.00 | | |
| Oil/Gas heat | \$0.00 | | |
| Water | \$0.00 | | |
| Building maintenance | \$0.00 | | |
| misc | \$0.00 | | |
| Tot non-personnel | | \$0.00 | |
| | | \$11,976.83 | Total admin overhead costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-----------------------------|--|----------------------|--|------------------------------------|----------|
| \$39,877.06 | | <<<< To line 16 >>>> | | Cost of Capital or Finance Expense | |
| | | | | GOGO COCO | |
| Analysis | | | | Adjusted | version |
| AIRCRAFT | | DHC 6-300 | | | Alpha |
| Based | | ALB | | | Purchase |
| Value of aircraft | | \$1,092,151.35 | | | |
| Time period - years | | 10 | | | |
| Interest rate | | 6.100% | | | |
| Annual levelized finan cost | | | | \$39,877.06 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|---------------------------------|---|----------------------------|--------------------|----------|
| \$496,513.05 | <<<< To line 19 >>>> | Total Contract Cost | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | DHC 6-300 | | Alpha |
| Based | | ALB | | Purchase |
| Hours flown/yr | | 255 | | |
| Contract vari cost PFH | | \$342.11 | | |
| Contract fixed cost PFH | | \$1,605.00 | | |
| Total cost PFH | | \$1,947.11 | (vari+fixed) | |
| Total cost | | \$496,513.05 | (tot cost PFH*Hrs) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|----------|----------|
| \$0.00 | <<<< To line 20a >>>> | Daily Availability/Guarantee hours | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | DHC 6-300 | | Alpha |
| Based | | ALB | | Purchase |
| Number guar hrs/yr | | 0 | | |
| Hourly guar rate | | \$0.00 | | |
| Tot cost of guarantee | | \$0.00 (guar hrs/yr*hourly rate) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|--|---------------|----------|
| \$0.00 | <<<< To line 20b >>>> | Additional Pilot and Crew Charges | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | | DHC 6-300 | | version |
| Based | | ALB | | Alpha |
| Hrs/yr for extra crew | | | 0 | Purchase |
| Hourly rate | | | \$0.00 | |
| Tot cost extra crew | | \$0.00 (hrs/yr*hourly rate) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|--|---------------------------------------|-----------------------------|----------|
| \$0.00 | <<<< To line 20c >>>> | Additional Maintenance Support | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | DHC 6-300 | | Alpha |
| Based | | ALB | | Purchase |
| Hours/yr added maint | | 0 | | |
| Hourly rate | | \$61.76 | | |
| Tot added maint cost | | | \$0.00 (hrs/yr*hourly rate) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|--|--|---------------|-----------------------------------|
| \$0.00 | <<<< To line 20d >>>> | Airframe Alterations/Equipment Installation | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | DHC 6-300 | | | Alpha |
| Based | ALB | | | Purchase |
| Time period - yrs | | 10 | | |
| Airframe alts | | \$0.00 | | |
| Equipment instal | | \$0.00 | | |
| tot alt/install cost | | | \$0.00 | (airframe alts+equip install)/yrs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------------------|--|-----------------------------------|---|----------|----------|
| \$0.00 | <<<< To line 20e >>>> | | Equipment not Provided by Government | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | DHC 6-300 | | | | Alpha |
| Based | ALB | | | | Purchase |
| Time period - yrs | | 10 | | | |
| | Item a | \$0.00 | | | |
| | Item b | \$0.00 | | | |
| | Item c | \$0.00 | | | |
| tot equipment cost | | \$0.00 (item a+Item b+item c)/yrs | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|---------------------------------|--|--|------|----------|
| \$0.00 | <<<< To line 20f >>>> | Additional Ground Service Support | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | | DHC 6-300 | | version |
| Based | | ALB | | Alpha |
| | item a | \$0.00 | | Purchase |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| tot grnd serv spprt cost | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-------------------------|-----------------------|---------------------|-------------------------|----------|
| \$0.00 | <<<< To line 20g >>>> | Travel and per Diem | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | DHC 6-300 | | Alpha |
| Based | | ALB | | Purchase |
| Nights from base/yr | | 0 | | |
| Per diem rates | | \$0.00 | | |
| misc costs | | \$0.00 | | |
| tot trav&per diem costs | | \$0.00 | (#nights*per diem+misc) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|------------------------------|--|--------------------------------------|----------|----------|
| \$0.00 | <<<< To line 20h >>>> | Service Equipment Mileage | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | DHC 6-300 | | Alpha |
| Based | | ALB | | Purchase |
| Equipment costs (not hourly) | | | | |
| | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| tot eqpt costs | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------------|--|---------------------|----------------------------|----------|
| \$0.00 | <<<< To line 20i >>>> | Airport Fees | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | DHC 6-300 | | | Alpha |
| Based | ALB | | | Purchase |
| Legs flown/yr | | 437 | | |
| Airport fees (ave) \$/trip | | \$0.00 | | |
| tot airport/yr | | | \$0.00 (trips/yr*\$ /trip) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|------------------------|--|--------------------------------------|---------------|----------|----------|
| \$0.00 | <<<< To line 20j >>>> | Other Costs | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | DHC 6-300 | | | Alpha |
| Based | | ALB | | | Purchase |
| Other costs | | | | | |
| | item a | | \$0.00 | | |
| | item b | | \$0.00 | | |
| | item c | | \$0.00 | | |
| tot other costs | | \$0.00 (item a+item b+item c) | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|-------------------|---|--------------------------------------|----------|---|-----------------------------------|--|
| \$7,595.86 | <<<< To line 21 >>>> | Contract Administrative Costs | | | | |
| Analysis | | GOGO/COCO | Adjusted | | version | |
| AIRCRAFT | DHC 6-300 | | | | Alpha | |
| Based | ALB | | | | Purchase | |
| Admin (a) | | | | | | |
| | Grade GS-14 | | | | | |
| | Salary | \$84,711.80 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (a) | | | (Salary*Time allotment %+ \$0.00 Benefits %of salary+Misc) | | |
| Admin (b) | | | | | | |
| | Grade GS-13 | | | | | |
| | Salary | \$71,686.07 | | | | |
| | Time allotment % | 8% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (b) | | | (Salary*Time allotment %+ \$7,595.86 Benefits %of salary+Misc) | | |
| Admin (c) | | | | | | |
| | Grade GS-12 | | | | | |
| | Salary | \$60,283.52 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (c) | | | (Salary*Time allotment %+ \$0.00 Benefits %of salary+Misc) | | |
| Admin (d) | | | | | | |
| | Grade GS-9 | | | | | |
| | Salary | \$41,570.31 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (d) | | | (Salary*Time allotment %+ \$0.00 Benefits %of salary+Misc) | | |
| Admin (e) | | | | | | |
| | Grade GS-9 | | | | | |
| | Salary | \$41,570.31 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (e) | | | (Salary*Time allotment %+ \$0.00 Benefits %of salary+Misc) | | |
| | | | | \$7,595.86 | Total admin overhead costs | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|---------------------------------------|---|----------------------------------|----------|
| \$0.00 | <<<< To line 22 >>>> One Time Conversion Costs | | |
| Analysis | GOGO/COCO | | Adjusted |
| AIRCRAFT | DHC 6-300 | | version |
| Based | ALB | | Alpha |
| Time period - yrs | 10 | | Purchase |
| | | | |
| Material costs \$/yr | \$0.00 | | |
| | | | |
| Grade GS-12 | | | |
| Time allocation % | 0% | | |
| Severance | \$60,283.52 | | |
| Moving | \$0.00 | | |
| Retraining | \$0.00 | | |
| Misc accounts \$/yr | \$0.00 | | |
| Tot (a) | | \$0.00 (sever+move+retrain+misc) | |
| | | | |
| Grade GS-12 | | | |
| Time allocation % | 0% | | |
| Severance | \$60,283.52 | | |
| Moving | \$0.00 | | |
| Retraining | \$0.00 | | |
| Misc accounts \$/yr | \$0.00 | | |
| Tot (b) | | \$0.00 (sever+move+retrain+misc) | |
| | | | |
| Grade GS-9 | | | |
| Time allocation % | 0% | | |
| Severance | \$41,570.31 | | |
| Moving | \$0.00 | | |
| Retraining | \$0.00 | | |
| Misc accounts \$/yr | \$0.00 | | |
| Tot (c) | | \$0.00 (sever+move+retrain+misc) | |
| | | | |
| Other 1-time costs \$/yr | \$0.00 | | |
| | | | |
| Total conversion costs | \$0.00 (sum of above col) | | |
| | | | |
| Annual allocation of conversion costs | \$0.00 (Tot costs/hrs) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------|---|--|---------------|------------------------------------|----------------|
| \$0.00 | <<<< To line 23 >>>> | Gain on Disposal/Transfer of Assets | | Adjusted | version |
| | Analysis | | GOGO COCO | | Alpha |
| | AIRCRAFT | DHC 6-300 | | | Purchase |
| | Based | ALB | | | |
| | Time period - yrs | | 10 | | |
| | To be sold/trans | | no | | |
| | Value of aircraft | | \$0.00 | | |
| | Unpaid balance | | \$0.00 | | |
| | Equity in aircraft | | | \$0.00 (value-unpaid bal) | |
| | Cost of disposal | | | \$0.00 | |
| | Tot gain | | | \$0.00 (equity - cost of disposal) | |
| | Gain per time period | | | \$0.00 (tot gain/hrs) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-------------------------|---|----------------------|--------------|-------------------------|------------|
| \$2,790.92 | | <<<< To line 28 >>>> | | Conversion Differential | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | DHC 6-300 | | | Alpha |
| Based | | ALB | | | Purchase |
| Time period - years | | 10 | | | |
| Crew cost PFH | | \$0.00 | | | |
| Hours flown/yr | | 255 | | | |
| Tot crew cost (vari) | | | \$0.00 | (Crew cost PFH*hours) | |
| Tot crew cost (fix) | | | \$174,859.73 | (line 9) | |
| Ops personnel cost | | | \$92,255.07 | (wksht 14) | |
| Adm personnel cost | | | \$11,976.83 | (wksht 15) | |
| Tot personnel (Convert) | | | | \$279,091.63 | () |
| New cap acqustn costs | | | | \$1,092,151.35 | (wksht 11) |
| | A | \$0.00 | | | |
| | B | \$2,790.92 | | | |
| | C | \$27,303.78 | | | |
| | D | \$2,790.92 | | | |
| | | | | | \$2,791 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Non-Adjusted XOXO Costs | | | | | |
|-------------------------|------------------------|------------------|------------------------------|------------------------------|--|
| | AIRCRAFT Based | DHC 6-300 ALB | version Alpha Purchase | | |
| | Gov't cost | Contractor cost | | | |
| | 1st yr | 1st yr | | | |
| variable costs PFH | \$293 | \$333 | | | |
| fixed cost PFH | \$1,368 | \$1,605 | | | |
| total costs PFH | \$1,661 | \$1,938 | | | |
| Flight Hours per Year | 255 | 10 year analysis | | | |
| | Costs per flight hr | Total Costs | Difference from GOGO | Life of Model Total costs | Life of Model Average cost per flight hr |
| | 1st yr | 1st yr | 1st yr | | |
| GOGO | \$1,661 | \$423,589 | \$0 | \$4,700,935 | \$1,844 |
| COGO | \$1,898 | \$484,080 | \$60,491 | \$5,741,116 | \$2,251 |
| GOCO | \$1,701 | \$433,688 | \$10,099 | \$4,817,132 | \$1,889 |
| COCO | \$1,938 | \$494,179 | \$70,590 | \$5,857,313 | \$2,297 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Decision Line | | | | | | |
|-------------------|--------------------|------------------------------------|--|---------------------------------------|---|----|
| AIRCRAFT Based | | DHC 6-300 ALB | version Alpha Purchase | | 10 year analysis | |
| Initial Structure | Terminal Structure | First Year Conversion Differential | First Year Review Line (positive value favors col 1 structure) | Life of Model Conversion Differential | Life of Model Decision Line (positive value favors col 1 structure) | |
| GOGO | to COCO | \$2,791 | \$73,380 | \$33,943 | \$1,190,322 | |
| COGO | to COCO | \$2,791 | \$12,890 | \$33,943 | \$150,140 | |
| GOCO | to COCO | \$0 | \$60,491 | \$0 | \$1,040,182 | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| GOGO | to GOCO | \$2,791 | \$12,890 | \$33,943 | \$150,140 | |
| COGO | to GOCO | \$30,095 | (\$20,297) | \$357,433 | (\$566,552) | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| COCO | to GOCO | \$27,304 | (\$33,187) | \$323,490 | (\$716,692) | |
| GOGO | to COGO | \$0 | \$60,491 | \$0 | \$1,040,182 | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| GOCO | to COGO | \$2,791 | \$53,183 | \$33,943 | \$957,928 | |
| COCO | to COGO | \$2,791 | (\$7,308) | \$33,943 | (\$82,254) | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| COGO | to GOGO | \$27,304 | (\$33,187) | \$323,490 | (\$716,692) | |
| GOCO | to GOGO | \$2,791 | (\$7,308) | \$33,943 | (\$82,254) | |
| COCO | to GOGO | \$30,095 | (\$40,495) | \$357,433 | (\$798,946) | |

SAVANNAH RIVER

DOE SRS Present Fleet

Aircraft

| Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Costs Normalized | | | | | | | | | | | |
| N116SR | \$991,761 | \$1,031,811 | \$1,088,074 | \$1,434,241 | \$1,118,241 | \$1,171,737 | \$1,329,757 | \$1,196,779 | \$1,217,727 | \$1,708,502 | \$12,288,630 |
| N117SR | \$991,761 | \$1,090,932 | \$1,140,556 | \$1,230,561 | \$1,040,341 | \$1,058,340 | \$1,398,623 | \$1,257,508 | \$1,147,399 | \$1,351,892 | \$11,707,913 |
| Total | \$1,983,522 | \$2,122,743 | \$2,228,630 | \$2,664,802 | \$2,158,582 | \$2,230,077 | \$2,728,380 | \$2,454,287 | \$2,365,126 | \$3,060,394 | \$23,996,543 |

Should Cost

| | | | | | | | | | | | |
|--------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| N116SR | \$784,200 | \$822,112 | \$879,227 | \$1,283,965 | \$893,837 | \$946,831 | \$1,124,973 | \$953,631 | \$966,706 | \$1,543,272 | \$10,198,754 |
| N117SR | \$784,200 | \$893,058 | \$942,205 | \$1,039,549 | \$800,357 | \$810,754 | \$1,207,612 | \$1,026,507 | \$882,313 | \$1,115,340 | \$9,501,895 |
| Total | \$1,568,400 | \$1,715,170 | \$1,821,432 | \$2,323,514 | \$1,694,194 | \$1,757,585 | \$2,332,585 | \$1,980,138 | \$1,849,019 | \$2,658,612 | \$19,700,649 |

Future Fleet GOCO

| | | | | | | | | | | | |
|--------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| N116SR | \$719,998 | \$753,249 | \$802,549 | \$1,141,577 | \$818,261 | \$864,257 | \$1,014,590 | \$873,733 | \$886,604 | \$1,369,102 | \$9,243,920 |
| N117SR | \$719,998 | \$913,894 | \$802,549 | \$967,993 | \$811,167 | \$864,393 | \$1,229,353 | \$873,538 | \$938,540 | \$1,092,602 | \$9,214,027 |
| Total | \$1,439,996 | \$1,667,143 | \$1,605,098 | \$2,109,570 | \$1,629,428 | \$1,728,650 | \$2,243,943 | \$1,747,271 | \$1,825,144 | \$2,461,704 | \$18,457,947 |

Future Fleet GOGO

| | | | | | | | | | | | |
|--------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| N116SR | \$747,001 | \$780,928 | \$830,920 | \$1,170,657 | \$848,068 | \$894,810 | \$1,045,906 | \$905,832 | \$919,506 | \$1,402,826 | \$9,546,454 |
| N117SR | \$747,001 | \$941,573 | \$830,920 | \$997,073 | \$840,974 | \$894,945 | \$1,260,669 | \$905,637 | \$971,442 | \$1,126,326 | \$9,516,560 |
| Total | \$1,494,002 | \$1,722,501 | \$1,661,840 | \$2,167,730 | \$1,689,042 | \$1,789,755 | \$2,306,575 | \$1,811,469 | \$1,890,948 | \$2,529,152 | \$19,063,014 |

ACE

The Aircraft Cost Evaluator

| DIRECT COST - \$ | Bell 412EP | BK 117C1 | Bell 412SP |
|-----------------------------------|-------------------|-----------------|-------------------|
| Fuel (1) | 232.78 | 160.68 | 226.60 |
| Fuel Additives | 0.00 | 0.00 | 0.00 |
| Lubricants | 6.98 | 4.82 | 6.80 |
| Maintenance Labor (2) | 134.56 | 128.76 | 134.56 |
| Parts Airframe/Eng/Avion (3) | 198.69 | 107.71 | 198.69 |
| Engine Restoration (4) | 170.20 | 158.00 | 170.20 |
| Thrust Reverser Overhaul | 0.00 | 0.00 | 0.00 |
| Propeller Overhaul | 0.00 | 0.00 | 0.00 |
| APU Overhaul | 0.00 | 0.00 | 0.00 |
| Dynamic Comp/Life Ltd Parts | 109.43 | 62.88 | 119.43 |
| Misc Exp. - Landing/Parking | 14.28 | 8.47 | 14.28 |
| - Crew Expenses | 32.00 | 32.00 | 32.00 |
| - Supplies/Catering | 8.00 | 7.00 | 8.00 |
| - Other | 0.00 | 0.00 | 0.00 |
| Fractional Cost/Hour + Tax | 0.00 | 0.00 | 0.00 |
| Total Direct Cost/Hour | 906.92 | 670.32 | 910.56 |
| Average Block Speed-Mph. (5) | 132 | 134 | 132 |
| Total Direct Cost/St. Mile | 6.87 | 5.00 | 6.90 |

FOOTNOTES - \$ Operation: 1 - 2 Aircraft Date: 9/28/2000

| Type of Operation: | Corporate | Corporate | Corporate |
|-----------------------------|-------------|-------------|-------------|
| 1 /Fuel Cost | 2.06 | 2.06 | 2.06 |
| Gallons/Hour | 113 | 78 | 110 |
| 2 /Maint. Labor Cost/Hour | 58.00 | 58.00 | 58.00 |
| Maint. Hours/Flight Hours | 2.32 | 2.22 | 2.32 |
| 3 /Incl. Engine Parts Cost | Yes | Yes | Yes |
| 4 /Overhaul Cost Source | Estimated | Estimated | Estimated |
| 5 /Block Speed Source | 90% Vcruise | 90% Vcruise | 90% Vcruise |
| 6 /Crew Salary Source | 2000 R&W | 2000 R&W | 2000 R&W |
| Number of Crew | 2 | 2 | 2 |
| 7 /Insured Hull Value | 5645000 | 4649000 | 2175000 |
| Hull Insurance Rate (%) | 2.25 | 3.00 | 2.25 |
| 8 /Modernization | .4% x Price | .4% x Price | .4% x Price |
| 9 /Refurbish Labor Hrs/Seat | 20 | 20 | 20 |
| 10/Comp. Mx Program Source | MxManager | MxManager | MxManager |
| 11/Weather Service Source | Typical | Typical | Typical |
| 12/Aircraft Purchase Price | 5645000 | 4649000 | 2175000 |
| Depreciation Rate | 10% per yr | 10% per yr | 10% per yr |
| 13/Market Depr % / Year | 5 | 5 | 5 |

The Aircraft Cost Evaluator

| FIXED COST - \$ | Bell 412EP | BK 117C1 | Bell 412SP |
|------------------------------|-------------------|-----------------|-------------------|
| Crew Salaries - Captain (6) | 77,300 | 77,300 | 77,300 |
| - Co Pilot | 50,200 | 50,200 | 50,200 |
| - Flt Eng/Other | 0 | 0 | 0 |
| - Benefits | 38,250 | 38,250 | 38,250 |
| Hangar - Typical | 22,950 | 16,750 | 22,950 |
| Insurance - Hull (7) | 127,013 | 139,470 | 48,938 |
| Admitted Liability | 2,000 | 1,750 | 2,000 |
| Legal Liability | 8,000 | 8,000 | 8,000 |
| Recurrent Training | 18,400 | 16,800 | 18,400 |
| Aircraft Modernization (8) | 22,580 | 18,596 | 8,700 |
| Navigation Chart Service | 375 | 375 | 375 |
| Refurbishing (9) | 6,960 | 5,800 | 6,960 |
| Computer Mx. Program (10) | 1,850 | 1,850 | 1,850 |
| Weather Service (11) | 665 | 665 | 665 |
| Other Fixed Costs | 0 | 0 | 0 |
| Fractional Cost/Yr + Tax | 0 | 0 | 0 |
| Book Depreciation (12) | 564,500 | 464,900 | 217,500 |
| Total Fixed Cost/Year | 941,043 | 840,706 | 502,088 |

| ANNUAL BUDGET - \$ | Corporate | Corporate | Corporate |
|-------------------------------------|------------------|------------------|------------------|
| Utilization - St. Miles | 50,000 | 50,000 | 50,000 |
| - Hours | 379 | 373 | 379 |
| Direct Cost | 343,724 | 250,030 | 345,102 |
| Fixed Cost | 941,043 | 840,706 | 502,088 |
| Total Cost (Book Dep.) | 1,284,767 | 1,090,736 | 847,189 |
| - Per Hour | 3,390 | 2,924 | 2,235 |
| - Per St. Mile | 25.70 | 21.81 | 16.94 |
| - Per Seat St. Mile | 4.28 | 4.36 | 2.82 |
| Total Cost (No Depreciation) | 720,267 | 625,836 | 629,689 |
| - Per Hour | 1,900 | 1,678 | 1,661 |
| - Per St. Mile | 14.41 | 12.52 | 12.59 |
| - Per Seat St. Mile | 2.40 | 2.50 | 2.10 |
| Total Cost (No Depreciation) | 720,267 | 625,836 | 629,689 |
| Market Depreciation (13) | 282,250 | 232,450 | 108,750 |
| Total Cost (Market Dep.) | 1,002,517 | 858,286 | 738,439 |
| - Per Hour | 2,645 | 2,301 | 1,948 |
| - Per St. Mile | 20.05 | 17.17 | 14.77 |
| - Per Seat St. Mile | 3.34 | 3.43 | 2.46 |

The Aircraft Cost Evaluator

| GENERAL - \$ | Bell 412EP | BK 117C1 | Bell 412SP |
|----------------------------|-------------|----------|-------------|
| Cabin-Height (Ft.) | 4.30 | 4.30 | 4.30 |
| - Width | 8.00 | 4.70 | 8.00 |
| - Length | 7.70 | 6.20 | 7.70 |
| Cabin volume (Cu. Ft.) | 220.00 | 125.00 | 220.00 |
| Cabin Door Height (Ft.) | 4.10 | 3.10 | 4.10 |
| - Width | 6.20 | 2.80 | 6.20 |
| Baggage -Int. (Cu.Ft.) | 0.00 | 0.00 | 0.00 |
| - External | 28.00 | 50.00 | 28.00 |
| Typical Crew/Pass Seating | 2/6 | 2/5 | 2/6 |
| Weight-Max Take-off (Lbs.) | 11,900 | 7,385 | 11,900 |
| - Maximum Landing | | | |
| - Basic Operating | 7,905 | 4,930 | 7,905 |
| - Usable Fuel | 2,214 | 1,230 | 2,214 |
| Payload-Full Fuel (Lbs.) | 1,781 | 1,225 | 1,781 |
| - Maximum | 3,995 | 2,455 | 3,995 |
| Certified/IFR Certified | Yes/Yes | Yes/Yes | Yes/Yes |
| Price - New (Typical)/1000 | 5,645 | 4,649 | |
| - Pre Owned Rng/1000 | 1,890/3,200 | / | 1,192/2,800 |

PERFORMANCE

Range-NBAA IFR Res (N.Mi.)
 Seats Full
 Tanks Full

| | | | |
|-----------------------------|-----|-----|-----|
| Range-30 Min. Res (N.Mi.) | | | |
| Seats Full | 312 | 221 | 312 |
| Tanks Full | 312 | 221 | 312 |
| Balanced Field Length (Ft.) | | | |
| Landing Distance - FAR 121 | | | |

| | | | |
|------------------------|-------|-------|-------|
| Rate Of Climb (Ft/Min) | 1,350 | 1,770 | 1,350 |
| - One Engine Out | 500 | 200 | 500 |

| | | | |
|-------------------------|-----|-----|-----|
| Cruise Speed-Max (KTAS) | 124 | 133 | 130 |
| - Normal | | | |
| - Long Range | 122 | 125 | 125 |
| Stall Speed (IAS) | | | |

| | | | |
|-----------------------|--------|--------|--------|
| Ceiling-Service (Ft.) | 16,500 | 14,200 | 16,500 |
| - Service OEI | 6,800 | 6,150 | 6,800 |
| - Hover IGE | 10,200 | 8,200 | 10,200 |
| - Hover OGE | 5,200 | 4,240 | 5,200 |

Cost Of Ownership Analysis

For: **DOE SRS N117SR** 9-Jun-00

Aircraft: **BK 117B2**

Status: **Used**

Acquisition: **Purchase**

Program length: **10** Years

Type of operation: **Government**

Base of operation: **--**

Notes: **BK 117 Present Fleet - Costs Normalized**

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE SRS N117SR

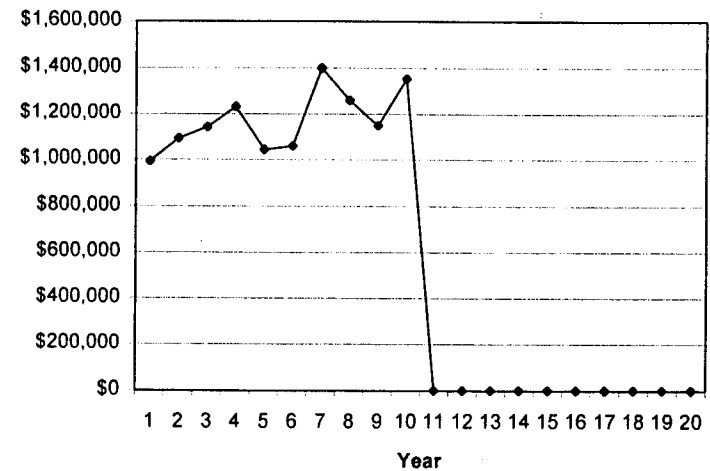
Type of Operation: **Government**

Make/Model: **Used BK 117B2** Date: **9-Jun-00**

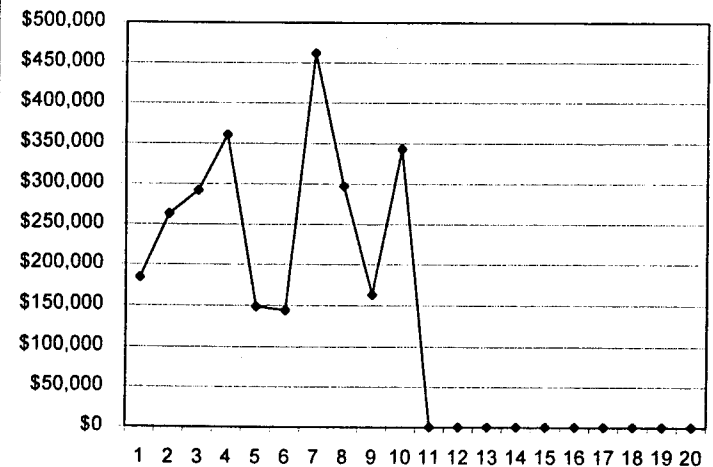
Program Length: **10 Years** Acquisition: **Purchase**

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 406.3 | | Purchase Price | \$ | 1,170,000 |
| Cycles/Hour | 4.28 | | State Sales Tax: | \$ | - |
| Residual Value | 95 | % | Spares + Tooling | \$ | - |
| MX Labor Rate | \$ 58.00 | /MH | Initial Training: | \$ | - |
| Fuel Cost | \$ 0.89 | /GAL | Trade-in/Other: | \$ | - |
| | | | Total | \$ | 1,170,000 |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 4663 | | Finance Cost/Year | \$ | - |
| Total Years | 14 | | Final Payment | \$ | - |
| Total Cycles | 19963 | | Lease Cost/Year | \$ | - |
| Ave Inflation: | | | Insured Value: | | |
| | 2.50% | /Year | | \$ | - |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 3,842,690 | \$ 384,269 | \$ 946 | \$ 7.06 |
| Total Fixed Cost | | \$ 4,075,556 | \$ 407,556 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 3,789,667 | \$ 378,967 | | |
| Total Cost: | | \$ 11,707,913 | \$ 1,170,791 | \$ 2,882 | \$ 21.50 |
| Annual Budget: | Year 1 | \$ 991,761 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 1,090,932 | Year 12 | \$ - | |
| | Year 3 | \$ 1,140,556 | Year 13 | \$ - | |
| | Year 4 | \$ 1,230,561 | Year 14 | \$ - | |
| | Year 5 | \$ 1,040,341 | Year 15 | \$ - | |
| | Year 6 | \$ 1,058,340 | Year 16 | \$ - | |
| | Year 7 | \$ 1,398,623 | Year 17 | \$ - | |
| | Year 8 | \$ 1,257,508 | Year 18 | \$ - | |
| | Year 9 | \$ 1,147,399 | Year 19 | \$ - | |
| | Year 10 | \$ 1,351,892 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

9-Jun-00

(Page 2)

DOE SRS N117SR

Government

Make/Model:

Used

BK 117B2

Acquisition: Purchase

406.3 Hours/Year

Aircraft Value:

\$

Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | | \$ 21,717 | \$ 22,264 | \$ 22,820 | \$ 23,391 | \$ 23,976 | \$ 24,575 | \$ 25,189 | \$ 25,819 | \$ 26,465 | \$ 27,126 | \$ 243,343 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 25,755 | \$ 26,399 | \$ 27,059 | \$ 27,735 | \$ 28,429 | \$ 29,139 | \$ 29,868 | \$ 30,615 | \$ 31,380 | \$ 32,164 | \$ 288,543 |
| Parts | | \$ 85,490 | \$ 87,627 | \$ 89,818 | \$ 92,063 | \$ 94,365 | \$ 96,724 | \$ 99,142 | \$ 101,621 | \$ 104,161 | \$ 106,765 | \$ 957,777 |
| Inspections | | \$ - | \$ 15,252 | \$ 8,069 | \$ 41,870 | \$ 16,425 | \$ 8,825 | \$ 17,256 | \$ 17,688 | \$ 9,357 | \$ 18,583 | \$ 153,324 |
| Engine Restoral | | \$ - | \$ 118,285 | \$ 157,909 | \$ 189,748 | \$ - | \$ - | \$ 285,273 | \$ 137,174 | \$ - | \$ 174,841 | \$ 1,063,230 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (Alt) | | \$ 64,147 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,341 | \$ - | \$ - | \$ - | \$ 84,488 |
| Life Limited Components (All) | | \$ - | \$ 6,587 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,830 | \$ - | \$ 14,416 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 8,244 | \$ 8,450 | \$ 8,661 | \$ 8,878 | \$ 9,100 | \$ 9,327 | \$ 9,560 | \$ 9,799 | \$ 10,044 | \$ 10,295 | \$ 92,359 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ 84,368 | \$ 86,477 | \$ 88,639 | \$ 90,855 | \$ 93,127 | \$ 95,455 | \$ 97,841 | \$ 100,287 | \$ 102,794 | \$ 105,364 | \$ 945,209 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 289,721 | \$ 371,341 | \$ 402,975 | \$ 474,540 | \$ 265,420 | \$ 264,046 | \$ 584,471 | \$ 423,003 | \$ 292,032 | \$ 475,140 | \$ 3,842,690 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 191,490 | \$ 196,277 | \$ 201,184 | \$ 206,214 | \$ 211,369 | \$ 216,653 | \$ 222,070 | \$ 227,621 | \$ 233,312 | \$ 239,145 | \$ 2,145,336 |
| Maintenance Technicians | | \$ 59,324 | \$ 60,807 | \$ 62,327 | \$ 63,885 | \$ 65,483 | \$ 67,120 | \$ 68,798 | \$ 70,518 | \$ 72,281 | \$ 74,088 | \$ 664,629 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 104,489 | \$ 107,101 | \$ 109,779 | \$ 112,523 | \$ 115,336 | \$ 118,220 | \$ 121,175 | \$ 124,205 | \$ 127,310 | \$ 130,493 | \$ 1,170,631 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 7,225 | \$ 7,406 | \$ 7,591 | \$ 7,781 | \$ 7,975 | \$ 8,174 | \$ 8,379 | \$ 8,588 | \$ 8,803 | \$ 9,023 | \$ 80,944 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 851 | \$ 872 | \$ 894 | \$ 916 | \$ 939 | \$ 963 | \$ 987 | \$ 1,012 | \$ 1,037 | \$ 1,063 | \$ 9,534 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ 400 | \$ 410 | \$ 420 | \$ 431 | \$ 442 | \$ 453 | \$ 464 | \$ 475 | \$ 487 | \$ 500 | \$ 4,481 |
| Total Fixed Cost | | \$ 363,779 | \$ 372,874 | \$ 382,195 | \$ 391,750 | \$ 401,544 | \$ 411,583 | \$ 421,872 | \$ 432,419 | \$ 443,230 | \$ 454,310 | \$ 4,075,556 |

| | | | | | | | | | | | | |
|-------------------------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 66,488 | \$ 68,150 | \$ 69,854 | \$ 71,600 | \$ 73,390 | \$ 75,225 | \$ 77,106 | \$ 79,033 | \$ 81,009 | \$ 83,034 | \$ 85,107 | \$ 744,890 |
| Administrative Overhead (G&A) | \$ 271,773 | \$ 278,567 | \$ 285,532 | \$ 292,670 | \$ 299,987 | \$ 307,486 | \$ 315,173 | \$ 323,053 | \$ 331,129 | \$ 339,407 | \$ 347,888 | \$ 3,044,777 |
| Total Annual Cost | \$ 991,761 | \$ 1,090,932 | \$ 1,140,556 | \$ 1,230,561 | \$ 1,040,341 | \$ 1,058,340 | \$ 1,398,623 | \$ 1,257,508 | \$ 1,147,399 | \$ 1,351,892 | \$ 1,170,793 | \$ 11,707,913 |

Life Cycle Cost 2000

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|--------------|
| Airframe: | 1.04 | Airframe: | \$ 72.71 /FH |
| Engine: | 0.40 | Engine: | \$ 15.00 |
| Avionics: | 0.30 | Avionics: | \$ 20.00 |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycl Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|--------------------|---------------------------------------|--------------------------------|--------------------|--------|-------|
| Recurring | 1 | 100 Hour | \$ 120 | | 100 | | |
| | 2 | 600 Hour | \$ 7,200 | | 600 | | |
| | 3 | 12 Month | \$ 7,200 | | | | 1 |
| | 4 | 6000 Hour Extended | \$ 24,000 | | 6000 | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|---------------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | M/R Gearbox | \$ 131,172 | | 5000 | | |
| | 2 | T/R Gearbox | \$ 4,544 | | 3600 | | |
| | 3 | Int Gearbox | \$ 5,335 | | 3600 | | |
| | 4 | SPAS Actuator | \$ 7,660 | | 3600 | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Hex Bolt (2) | \$ 120 | | 4500 | | |
| 2 | Inner Sleeve (4) | \$ 64,486 | | 10200 | | |
| 3 | Laminated Pile Assy | \$ 5,833 | | | 11700 | |
| 4 | Fitted Bolts (2) | \$ 593 | | | 11700 | |
| 5 | Shaft T/R Drive | \$ 4,324 | | 11200 | | |
| 6 | Screw | \$ 11 | | 4800 | | |
| 7 | Bearing Block | \$ 1,623 | | 14000 | | |
| 8 | Fitted Bolt | \$ 526 | | 16800 | | |
| 9 | Hex Bolt | \$ 43 | | 4500 | | |
| 10 | Transmission Case | \$ 177,543 | | 12000 | | |
| 11 | Support Assy | \$ 5,712 | | 12000 | | |
| 12 | Fitting Assy | \$ 1,866 | | 12000 | | |
| 13 | Fitting | \$ 571 | | 12000 | | |
| 14 | Stay Assy (5) | \$ 13,125 | | 12000 | | |
| 15 | Mount Assy (2) | \$ 35,345 | | 12000 | | |
| 16 | Lug (3) | \$ 1,499 | | 12000 | | |
| 17 | Rod Assy | \$ 1,916 | | 12000 | | |
| 18 | Shaft | \$ 4,321 | | 11200 | | |
| 19 | Bevel Gear Shaft | \$ 7,880 | | 10800 | | |
| 20 | Bevel Gear 1 | \$ 5,514 | | 10800 | | |
| 21 | Bevel Gear Shaft | \$ 6,512 | | 13200 | | |
| 22 | Bevel Gear 2 | \$ 4,649 | | 13200 | | |
| 23 | Bevel Gear 3 | \$ 14,515 | | 18500 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|--------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 H.S.I. | \$ 70,000 | | 1200 | | |
| | 2 Overhaul | \$ 85,000 | | 2400 | | |
| | 3 Accessories | \$ 19,895 | | 2400 | | |
| | 4 | | | | | |
| Replacement | 5 | | | | | |
| | 1 Solid Rivet PT Rotor | \$ 57,700 | | 12000 | 11000 | |
| | 2 GP Rotor Disc | \$ 18,100 | | 5000 | 6300 | |
| | 3 GP Rotor Spacer | \$ 5,550 | | 15000 | 25000 | |
| | 4 GP Rotor Sealing Plate | \$ 9,750 | | 15000 | 25000 | |
| | 5 Titanium Impeller | \$ 34,800 | | 15000 | 25000 | |
| | 6 Axial Compressor | \$ 18,300 | | 15000 | 25000 | |
| | 7 Compressor Shaft | \$ 6,750 | | 15000 | 25000 | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|----------------|----------|
| For: | DOE SRS N117SR | 9-Jun-00 |
| Aircraft: | BK 117B2 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: BK 117 Present Fleet Should Cost
Ops. O/H at 10% and G&A at 10%

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE SRS N117SR

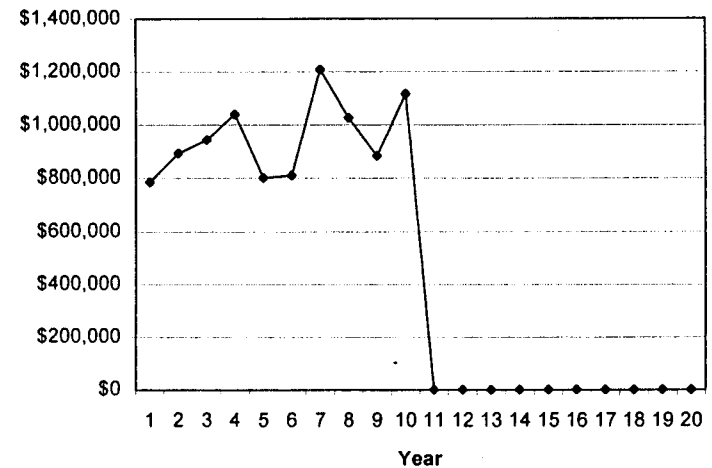
Type of Operation: **Government**

Make/Model: **Used BK 117B2** Date: **9-Jun-00**

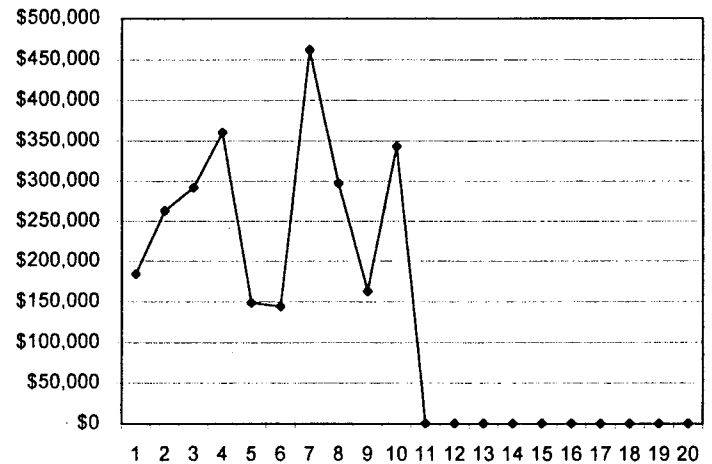
Program Length: **10 Years** Acquisition: **Purchase**

| | | | | | |
|-------------------------------|--------------|--------------------------------------|------------------|------------------|---------------------|
| Program Data: | | Acquisition Cost + Sales Tax: | | | |
| Hrs/Year | 406.3 | Purchase Price | \$ 1,170,000 | | |
| Cycles/Hour | 4.28 | State Sales Tax: | \$ - | | |
| Residual Value | 95 % | Spares + Tooling | \$ - | | |
| MX Labor Rate | \$ 58.00 /MH | Initial Training: | \$ - | | |
| Fuel Cost | \$ 0.89 /GAL | Trade-in/Other: | \$ - | | |
| | | Total | \$ 1,170,000 | | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 4663 | Finance Cost/Year | \$ - | | |
| Total Years | 14 | Final Payment | \$ - | | |
| Total Cycles | 19963 | Lease Cost/Year | \$ - | | |
| Ave Inflation: | 2.50% /Year | Insured Value: | \$ - | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 3,842,690 | \$ 384,269 | \$ 946 | \$ 7.06 |
| Total Fixed Cost | | \$ 4,075,556 | \$ 407,556 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,583,649 | \$ 158,365 | | |
| Total Cost: | | \$ 9,501,895 | \$ 950,190 | \$ 2,339 | \$ 17.45 |
| Annual Budget: | Year 1 | \$ 784,200 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 893,058 | Year 12 | \$ - | |
| | Year 3 | \$ 942,205 | Year 13 | \$ - | |
| | Year 4 | \$ 1,039,549 | Year 14 | \$ - | |
| | Year 5 | \$ 800,357 | Year 15 | \$ - | |
| | Year 6 | \$ 810,754 | Year 16 | \$ - | |
| | Year 7 | \$ 1,207,612 | Year 17 | \$ - | |
| | Year 8 | \$ 1,026,507 | Year 18 | \$ - | |
| | Year 9 | \$ 882,313 | Year 19 | \$ - | |
| | Year 10 | \$ 1,115,340 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

9-Jun-00

(Page 2)

DOE SRS N117SR

Government

Make/Model: Used **BK 117B2** Acquisition: Purchase 406.3 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|-------------|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | \$ | 21,717 | \$ 22,264 | \$ 22,820 | \$ 23,391 | \$ 23,976 | \$ 24,575 | \$ 25,189 | \$ 25,819 | \$ 26,465 | \$ 27,126 | \$ 243,343 |
| Fuel Additives | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | \$ | 25,755 | \$ 26,399 | \$ 27,059 | \$ 27,735 | \$ 28,429 | \$ 29,139 | \$ 29,868 | \$ 30,615 | \$ 31,380 | \$ 32,164 | \$ 288,543 |
| Parts | \$ | 85,490 | \$ 87,627 | \$ 89,818 | \$ 92,063 | \$ 94,365 | \$ 96,724 | \$ 99,142 | \$ 101,621 | \$ 104,161 | \$ 106,765 | \$ 957,777 |
| Inspections | \$ | - | \$ 15,252 | \$ 8,069 | \$ 41,870 | \$ 16,425 | \$ 8,825 | \$ 17,256 | \$ 17,688 | \$ 9,357 | \$ 18,583 | \$ 153,324 |
| Engine Restoral | \$ | - | \$ 118,285 | \$ 157,909 | \$ 189,748 | \$ - | \$ - | \$ 285,273 | \$ 137,174 | \$ - | \$ 174,841 | \$ 1,063,230 |
| Engine Guaranteed Mx Plan | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | \$ | 64,147 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,341 | \$ - | \$ - | \$ - | \$ 84,488 |
| Life Limited Components (All) | \$ | - | \$ 6,587 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,830 | \$ - | \$ 14,416 |
| Other Services | | | | | | | | | | | | \$ - |
| Flight Hour Cost | \$ | 8,244 | \$ 8,450 | \$ 8,661 | \$ 8,878 | \$ 9,100 | \$ 9,327 | \$ 9,560 | \$ 9,799 | \$ 10,044 | \$ 10,295 | \$ 92,359 |
| Fixed Cost | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | \$ | 84,368 | \$ 86,477 | \$ 88,639 | \$ 90,855 | \$ 93,127 | \$ 95,455 | \$ 97,841 | \$ 100,287 | \$ 102,794 | \$ 105,364 | \$ 945,209 |
| Small Supplies | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | \$ | 289,721 | \$ 371,341 | \$ 402,975 | \$ 474,540 | \$ 265,420 | \$ 264,046 | \$ 584,471 | \$ 423,003 | \$ 292,032 | \$ 475,140 | \$ 3,842,690 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|-------------|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | \$ | 191,490 | \$ 196,277 | \$ 201,184 | \$ 206,214 | \$ 211,369 | \$ 216,653 | \$ 222,070 | \$ 227,621 | \$ 233,312 | \$ 239,145 | \$ 2,145,336 |
| Maintenance Technicians | \$ | 59,324 | \$ 60,807 | \$ 62,327 | \$ 63,885 | \$ 65,483 | \$ 67,120 | \$ 68,798 | \$ 70,518 | \$ 72,281 | \$ 74,088 | \$ 664,629 |
| Other | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | \$ | 104,489 | \$ 107,101 | \$ 109,779 | \$ 112,523 | \$ 115,336 | \$ 118,220 | \$ 121,175 | \$ 124,205 | \$ 127,310 | \$ 130,493 | \$ 1,170,631 |
| Hangar | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | \$ | 7,225 | \$ 7,406 | \$ 7,591 | \$ 7,781 | \$ 7,975 | \$ 8,174 | \$ 8,379 | \$ 8,588 | \$ 8,803 | \$ 9,023 | \$ 80,944 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Management Fee | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | \$ | 851 | \$ 872 | \$ 894 | \$ 916 | \$ 939 | \$ 963 | \$ 987 | \$ 1,012 | \$ 1,037 | \$ 1,063 | \$ 9,534 |
| Comp Maint Service | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | \$ | 400 | \$ 410 | \$ 420 | \$ 431 | \$ 442 | \$ 453 | \$ 464 | \$ 475 | \$ 487 | \$ 500 | \$ 4,481 |
| Total Fixed Cost | \$ | 363,779 | \$ 372,874 | \$ 382,195 | \$ 391,750 | \$ 401,544 | \$ 411,583 | \$ 421,872 | \$ 432,419 | \$ 443,230 | \$ 454,310 | \$ 4,075,556 |

| | | | | | | | | | | | | |
|-------------------------------|----|---------|------------|------------|--------------|------------|------------|--------------|--------------|------------|--------------|--------------|
| Finance/Lease Cost | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ | 65,350 | \$ 74,421 | \$ 78,517 | \$ 86,629 | \$ 66,696 | \$ 67,563 | \$ 100,634 | \$ 85,542 | \$ 73,526 | \$ 92,945 | \$ 791,825 |
| Administrative Overhead (G&A) | \$ | 65,350 | \$ 74,421 | \$ 78,517 | \$ 86,629 | \$ 66,696 | \$ 67,563 | \$ 100,634 | \$ 85,542 | \$ 73,526 | \$ 92,945 | \$ 791,825 |
| Total Annual Cost | \$ | 784,200 | \$ 893,058 | \$ 942,205 | \$ 1,039,549 | \$ 800,357 | \$ 810,754 | \$ 1,207,612 | \$ 1,026,507 | \$ 882,313 | \$ 1,115,340 | \$ 9,501,895 |

Life Cycle Cost 2000

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | | /FH |
|-------------|------|-------|-------------|----------|-----|
| Airframe: | 1.04 | | Airframe: | \$ 72.71 | |
| Engine: | 0.40 | | Engine: | \$ 15.00 | |
| Avionics: | 0.30 | | Avionics: | \$ 20.00 | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | | Inspection Cost | Inspection Cycl | Frequency | | |
|-------------|----|--------------------|--------------------|-----------------|-----------|--------|-------|
| | | Name: | Total (Current \$) | Start (Hrs) | Hours | Cycles | Years |
| Recurring | 1 | 100 Hour | \$ 120 | | 100 | | |
| | 2 | 600 Hour | \$ 7,200 | | 600 | | |
| | 3 | 12 Month | \$ 7,200 | | | | 1 |
| | 4 | 6000 Hour Extended | \$ 24,000 | | 6000 | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | | |
|--------------------|---------------|---------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | M/R Gearbox | \$ 131,172 | | 5000 | | |
| 2 | T/R Gearbox | \$ 4,544 | | 3600 | | |
| 3 | Int Gearbox | \$ 5,335 | | 3600 | | |
| 4 | SPAS Actuator | \$ 7,660 | | 3600 | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Hex Bolt (2) | \$ 120 | | 4500 | | |
| 2 | Inner Sleeve (4) | \$ 64,486 | | 10200 | | |
| 3 | Laminated Pile Assy | \$ 5,833 | | | 11700 | |
| 4 | Fitted Bolts (2) | \$ 593 | | | 11700 | |
| 5 | Shaft T/R Drive | \$ 4,324 | | 11200 | | |
| 6 | Screw | \$ 11 | | 4800 | | |
| 7 | Bearing Block | \$ 1,623 | | 14000 | | |
| 8 | Fitted Bolt | \$ 526 | | 16800 | | |
| 9 | Hex Bolt | \$ 43 | | 4500 | | |
| 10 | Transmission Case | \$ 177,543 | | 12000 | | |
| 11 | Support Assy | \$ 5,712 | | 12000 | | |
| 12 | Fitting Assy | \$ 1,866 | | 12000 | | |
| 13 | Fitting | \$ 571 | | 12000 | | |
| 14 | Stay Assy (5) | \$ 13,125 | | 12000 | | |
| 15 | Mount Assy (2) | \$ 35,345 | | 12000 | | |
| 16 | Lug (3) | \$ 1,499 | | 12000 | | |
| 17 | Rod Assy | \$ 1,916 | | 12000 | | |
| 18 | Shaft | \$ 4,321 | | 11200 | | |
| 19 | Bevel Gear Shaft | \$ 7,880 | | 10800 | | |
| 20 | Bevel Gear 1 | \$ 5,514 | | 10800 | | |
| 21 | Bevel Gear Shaft | \$ 6,512 | | 13200 | | |
| 22 | Bevel Gear 2 | \$ 4,649 | | 13200 | | |
| 23 | Bevel Gear 3 | \$ 14,515 | | 18500 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|--------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 H.S.I. | \$ 70,000 | | 1200 | | |
| | 2 Overhaul | \$ 85,000 | | 2400 | | |
| | 3 Accessories | \$ 19,895 | | 2400 | | |
| 4 | | | | | | |
| 5 | | | | | | |
| Replacement | 1 Solid Rivet PT Rotor | \$ 57,700 | | 12000 | 11000 | |
| | 2 GP Rotor Disc | \$ 18,100 | | 5000 | 6300 | |
| | 3 GP Rotor Spacer | \$ 5,550 | | 15000 | 25000 | |
| | 4 GP Rotor Sealing Plate | \$ 9,750 | | 15000 | 25000 | |
| | 5 Titanium Impeller | \$ 34,800 | | 15000 | 25000 | |
| | 6 Axial Compressor | \$ 18,300 | | 15000 | 25000 | |
| | 7 Compressor Shaft | \$ 6,750 | | 15000 | 25000 | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|----------------|----------|
| For: | DOE SRS N117SR | 9-Jun-00 |
| Aircraft: | BK 117B2 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: BK 117 Future Fleet GOCO (Labor benefits at 25%)
Ops. O/H and G&A maxed at 25% of labor & benefits

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE SRS N117SR

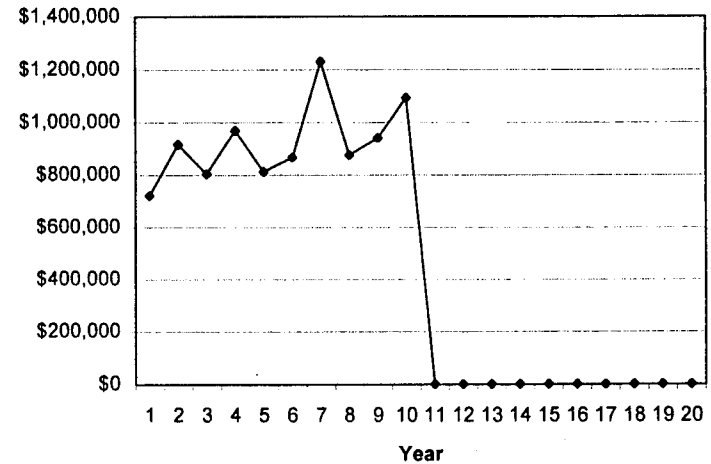
Type of Operation: **Government**

Make/Model: **Used BK 117B2** Date: **9-Jun-00**

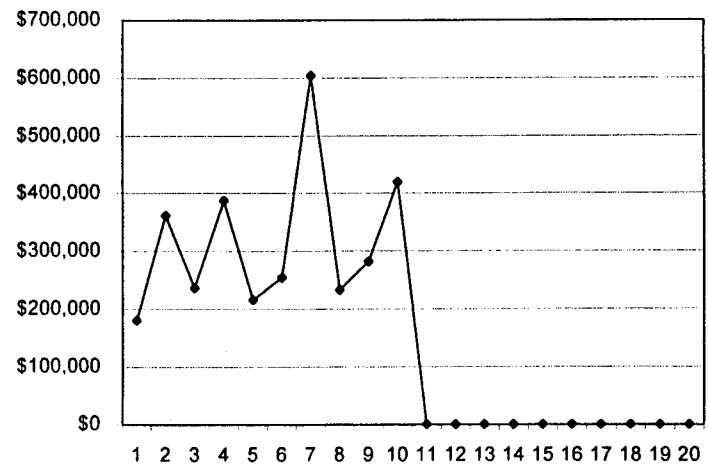
Program Length: **10 Years** Acquisition: **Purchase**

| | | | | | |
|-------------------------------|--------------|--------------------------------------|------------------|------------------|---------------------|
| Program Data: | | Acquisition Cost + Sales Tax: | | | |
| Hrs/Year | 406.3 | Purchase Price | \$ 1,170,000 | | |
| Cycles/Hour | 4.57 | State Sales Tax: | \$ - | | |
| Residual Value | 95 % | Spares + Tooling | \$ - | | |
| MX Labor Rate | \$ 58.00 /MH | Initial Training: | \$ - | | |
| Fuel Cost | \$ 1.50 /GAL | Trade-in/Other: | \$ - | | |
| | | Total | \$ 1,170,000 | | |
| Airframe Status: | | Lease/Finance Payments: | | | |
| Total Hours | 4663 | Finance Cost/Year | \$ - | | |
| Total Years | 14 | Final Payment | \$ - | | |
| Total Cycles | 19963 | Lease Cost/Year | \$ - | | |
| Ave Inflation: | 2.50% /Year | Insured Value: | \$ - | | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 4,525,911 | \$ 452,591 | \$ 1,114 | \$ 8.31 |
| Total Fixed Cost | | \$ 3,607,416 | \$ 360,742 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,080,701 | \$ 108,070 | | |
| Total Cost: | | \$ 9,214,028 | \$ 921,403 | \$ 2,268 | \$ 16.92 |
| Annual Budget: | Year 1 | \$ 719,998 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 913,894 | Year 12 | \$ - | |
| | Year 3 | \$ 802,549 | Year 13 | \$ - | |
| | Year 4 | \$ 967,993 | Year 14 | \$ - | |
| | Year 5 | \$ 811,167 | Year 15 | \$ - | |
| | Year 6 | \$ 864,393 | Year 16 | \$ - | |
| | Year 7 | \$ 1,229,353 | Year 17 | \$ - | |
| | Year 8 | \$ 873,538 | Year 18 | \$ - | |
| | Year 9 | \$ 938,540 | Year 19 | \$ - | |
| | Year 10 | \$ 1,092,602 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

9-Jun-00

(Page 2)

DOE SRS N117SR

Government

Make/Model: Used **BK 117B2** Acquisition: Purchase 406.3 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | | \$ 36,567 | \$ 37,481 | \$ 38,418 | \$ 39,379 | \$ 40,363 | \$ 41,372 | \$ 42,407 | \$ 43,467 | \$ 44,553 | \$ 45,667 | \$ 409,674 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 22,726 | \$ 23,294 | \$ 23,877 | \$ 24,473 | \$ 25,085 | \$ 25,712 | \$ 26,355 | \$ 27,014 | \$ 27,689 | \$ 28,382 | \$ 254,608 |
| Parts | | \$ 85,490 | \$ 87,627 | \$ 89,818 | \$ 92,063 | \$ 94,365 | \$ 96,724 | \$ 99,142 | \$ 101,621 | \$ 104,161 | \$ 106,765 | \$ 957,777 |
| Inspections | | \$ - | \$ 15,252 | \$ 8,069 | \$ 41,870 | \$ 16,425 | \$ 8,825 | \$ 17,256 | \$ 17,688 | \$ 9,357 | \$ 18,583 | \$ 153,324 |
| Engine Restoral | | \$ - | \$ 154,058 | \$ 38,033 | \$ 150,765 | \$ - | \$ 40,957 | \$ 377,121 | \$ - | \$ 44,106 | \$ 174,841 | \$ 979,879 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ 64,147 | \$ 65,751 | \$ 67,394 | \$ 69,079 | \$ 70,806 | \$ 72,576 | \$ 74,391 | \$ 76,251 | \$ 78,157 | \$ 80,111 | \$ 718,663 |
| Life Limited Components (All) | | \$ - | \$ 6,587 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,830 | \$ - | \$ 14,416 |
| Other Services | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Flight Hour Cost | | \$ 8,244 | \$ 8,450 | \$ 8,661 | \$ 8,878 | \$ 9,100 | \$ 9,327 | \$ 9,560 | \$ 9,799 | \$ 10,044 | \$ 10,295 | \$ 92,359 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ 84,368 | \$ 86,477 | \$ 88,639 | \$ 90,855 | \$ 93,127 | \$ 95,455 | \$ 97,841 | \$ 100,287 | \$ 102,794 | \$ 105,364 | \$ 945,209 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 301,542 | \$ 484,977 | \$ 362,909 | \$ 517,362 | \$ 349,271 | \$ 390,949 | \$ 744,073 | \$ 376,126 | \$ 428,693 | \$ 570,009 | \$ 4,525,911 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 191,490 | \$ 196,277 | \$ 201,184 | \$ 206,214 | \$ 211,369 | \$ 216,653 | \$ 222,070 | \$ 227,621 | \$ 233,312 | \$ 239,145 | \$ 2,145,336 |
| Maintenance Technicians | | \$ 59,324 | \$ 60,807 | \$ 62,327 | \$ 63,885 | \$ 65,483 | \$ 67,120 | \$ 68,798 | \$ 70,518 | \$ 72,281 | \$ 74,088 | \$ 664,629 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 62,704 | \$ 64,271 | \$ 65,878 | \$ 67,525 | \$ 69,213 | \$ 70,943 | \$ 72,717 | \$ 74,535 | \$ 76,398 | \$ 78,308 | \$ 702,491 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 7,225 | \$ 7,406 | \$ 7,591 | \$ 7,781 | \$ 7,975 | \$ 8,174 | \$ 8,379 | \$ 8,588 | \$ 8,803 | \$ 9,023 | \$ 80,944 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 851 | \$ 872 | \$ 894 | \$ 916 | \$ 939 | \$ 963 | \$ 987 | \$ 1,012 | \$ 1,037 | \$ 1,063 | \$ 9,534 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ 400 | \$ 410 | \$ 420 | \$ 431 | \$ 442 | \$ 453 | \$ 464 | \$ 475 | \$ 487 | \$ 500 | \$ 4,481 |
| Total Fixed Cost | | \$ 321,994 | \$ 330,043 | \$ 338,294 | \$ 346,752 | \$ 355,421 | \$ 364,306 | \$ 373,414 | \$ 382,749 | \$ 392,318 | \$ 402,126 | \$ 3,607,416 |

| | | | | | | | | | | | | |
|-------------------------------|------------|------------|------------|------------|------------|------------|--------------|------------|------------|--------------|--------------|------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 59,877 | \$ 61,374 | \$ 62,908 | \$ 64,481 | \$ 66,093 | \$ 67,745 | \$ 69,439 | \$ 71,175 | \$ 72,954 | \$ 74,778 | \$ 76,647 | \$ 670,825 |
| Administrative Overhead (G&A) | \$ 36,585 | \$ 37,500 | \$ 38,437 | \$ 39,398 | \$ 40,383 | \$ 41,393 | \$ 42,427 | \$ 43,488 | \$ 44,575 | \$ 45,690 | \$ 46,833 | \$ 409,876 |
| Total Annual Cost | \$ 719,998 | \$ 913,894 | \$ 802,549 | \$ 967,993 | \$ 811,167 | \$ 864,393 | \$ 1,229,353 | \$ 873,538 | \$ 938,540 | \$ 1,092,602 | \$ 9,214,027 | |

Life Cycle Cost 2000

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|--------------|
| Airframe: | 1.04 | Airframe: | \$ 72.71 /FH |
| Engine: | 0.40 | Engine: | \$ 15.00 |
| Avionics: | 0.30 | Avionics: | \$ 20.00 |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Inspection Cost | Inspection Cycl | Frequency | Cycles | Years |
|-------------|----------------------|--------------------|-----------------|-----------|--------|-------|
| | Name: | Total (Current \$) | Start (Hrs) | Hours | | |
| Recurring | 1 100 Hour | \$ 120 | | 100 | | |
| | 2 600 Hour | \$ 7,200 | | 600 | | |
| | 3 12 Month | \$ 7,200 | | | | 1 |
| | 4 6000 Hour Extended | \$ 24,000 | | 6000 | | |
| | 5 | | | | | |
| | 6 | | | | | |
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| | 9 | | | | | |
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| | 11 | | | | | |
| | 12 | | | | | |
| One Time | 1 | | | | | |
| | 2 | | | | | |

| Component Overhaul | | Overhaul Cost | Prem Removals | Frequency | Cycles | Years |
|--------------------|---------------|---------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | | |
| 1 | M/R Gearbox | \$ 131,172 | | 5000 | | |
| 2 | T/R Gearbox | \$ 4,544 | | 3600 | | |
| 3 | Int Gearbox | \$ 5,335 | | 3600 | | |
| 4 | SPAS Actuator | \$ 7,660 | | 3600 | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Hex Bolt (2) | \$ 120 | | 4500 | | |
| 2 | Inner Sleeve (4) | \$ 64,486 | | 10200 | | |
| 3 | Laminated Pile Assy | \$ 5,833 | | | 11700 | |
| 4 | Fitted Bolts (2) | \$ 593 | | | 11700 | |
| 5 | Shaft T/R Drive | \$ 4,324 | | 11200 | | |
| 6 | Screw | \$ 11 | | 4800 | | |
| 7 | Bearing Block | \$ 1,623 | | 14000 | | |
| 8 | Fitted Bolt | \$ 526 | | 16800 | | |
| 9 | Hex Bolt | \$ 43 | | 4500 | | |
| 10 | Transmission Case | \$ 177,543 | | 12000 | | |
| 11 | Support Assy | \$ 5,712 | | 12000 | | |
| 12 | Fitting Assy | \$ 1,866 | | 12000 | | |
| 13 | Fitting | \$ 571 | | 12000 | | |
| 14 | Stay Assy (5) | \$ 13,125 | | 12000 | | |
| 15 | Mount Assy (2) | \$ 35,345 | | 12000 | | |
| 16 | Lug (3) | \$ 1,499 | | 12000 | | |
| 17 | Rod Assy | \$ 1,916 | | 12000 | | |
| 18 | Shaft | \$ 4,321 | | 11200 | | |
| 19 | Bevel Gear Shaft | \$ 7,880 | | 10800 | | |
| 20 | Bevel Gear 1 | \$ 5,514 | | 10800 | | |
| 21 | Bevel Gear Shaft | \$ 6,512 | | 13200 | | |
| 22 | Bevel Gear 2 | \$ 4,649 | | 13200 | | |
| 23 | Bevel Gear 3 | \$ 14,515 | | 18500 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restora/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|----------------------------------|--------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 H.S.I. | \$ 70,000 | | 1200 | | |
| | 2 Overhaul | \$ 85,000 | | 2400 | | |
| | 3 Accessories | \$ 19,895 | | 2400 | | |
| | 4 | | | | | |
| Replacement | 5 | | | | | |
| | 1 Solid Rivet PT Rotor | \$ 57,700 | | 12000 | 11000 | |
| | 2 GP Rotor Disc | \$ 18,100 | | 5000 | 6300 | |
| | 3 GP Rotor Spacer | \$ 5,550 | | 15000 | 25000 | |
| | 4 GP Rotor Sealing Plate | \$ 9,750 | | 15000 | 25000 | |
| | 5 Titanium Impeller | \$ 34,800 | | 15000 | 25000 | |
| | 6 Axial Compressor | \$ 18,300 | | 15000 | 25000 | |
| | 7 Compressor Shaft | \$ 6,750 | | 15000 | 25000 | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

Cost Of Ownership Analysis

For: DOE SRS N117SR 9-Jun-00

Aircraft: BK 117B2

Status: Used

Acquisition: Purchase

Program length: 10 Years

Type of operation: Government

Base of operation: --

Notes: BK 117 Future Fleet GOGO (Labor benefits at 30%)
Ops. O/H at staffing with 30% benefits and G&A at 12% of

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE SRS N117SR

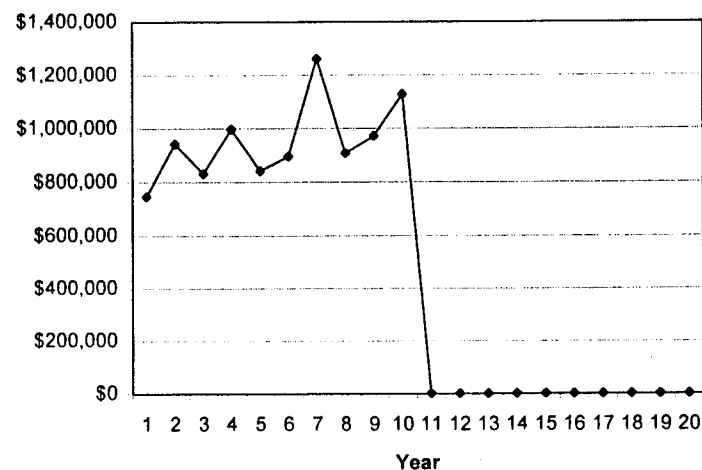
Type of Operation: **Government**

Make/Model: **Used BK 117B2** Date: **9-Jun-00**

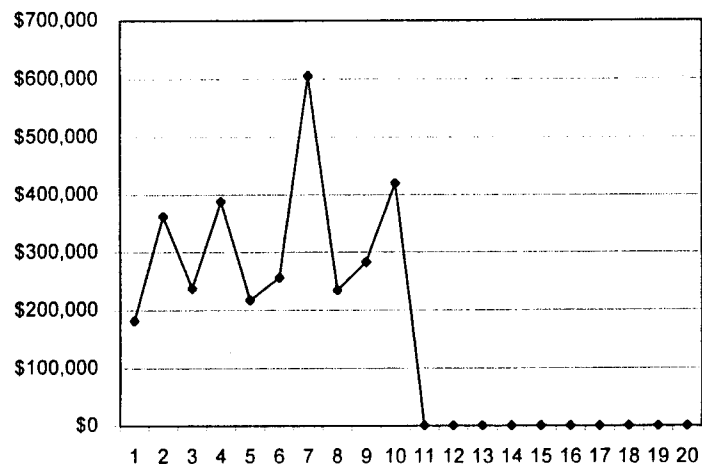
Program Length: **10 Years** Acquisition: **Purchase**

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 406.3 | | Purchase Price | \$ | 1,170,000 |
| Cycles/Hour | 4.57 | | State Sales Tax: | \$ | - |
| Residual Value | 95 % | | Spares + Tooling | \$ | - |
| MX Labor Rate | \$ 58.00 | /MH | Initial Training: | \$ | - |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ | - |
| | | | Total | \$ | 1,170,000 |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 4663 | | Finance Cost/Year | \$ | - |
| Total Years | 14 | | Final Payment | \$ | - |
| Total Cycles | 19963 | | Lease Cost/Year | \$ | - |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ | - |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 4,536,095 | \$ 453,610 | \$ 1,116 | \$ 8.33 |
| Total Fixed Cost | | \$ 3,747,914 | \$ 374,791 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,232,551 | \$ 123,255 | | |
| Total Cost: | | \$ 9,516,561 | \$ 951,657 | \$ 2,342 | \$ 17.48 |
| Annual Budget: | Year 1 | \$ 747,001 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 941,573 | Year 12 | \$ - | |
| | Year 3 | \$ 830,920 | Year 13 | \$ - | |
| | Year 4 | \$ 997,073 | Year 14 | \$ - | |
| | Year 5 | \$ 840,974 | Year 15 | \$ - | |
| | Year 6 | \$ 894,945 | Year 16 | \$ - | |
| | Year 7 | \$ 1,260,669 | Year 17 | \$ - | |
| | Year 8 | \$ 905,637 | Year 18 | \$ - | |
| | Year 9 | \$ 971,442 | Year 19 | \$ - | |
| | | Year 10 | \$ 1,126,326 | Year 20 | \$ - |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

9-Jun-00

(Page 2)

DOE SRS N117SR

Government

Make/Model:

Used

BK 117B2

Acquisition: Purchase

406.3 Hours/Year

Aircraft Value:

\$ -

Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | | \$ 36,567 | \$ 37,481 | \$ 38,418 | \$ 39,379 | \$ 40,363 | \$ 41,372 | \$ 42,407 | \$ 43,467 | \$ 44,553 | \$ 45,667 | \$ 409,674 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 23,635 | \$ 24,226 | \$ 24,832 | \$ 25,452 | \$ 26,089 | \$ 26,741 | \$ 27,409 | \$ 28,095 | \$ 28,797 | \$ 29,517 | \$ 264,792 |
| Parts | | \$ 85,490 | \$ 87,627 | \$ 89,818 | \$ 92,063 | \$ 94,365 | \$ 96,724 | \$ 99,142 | \$ 101,621 | \$ 104,161 | \$ 106,765 | \$ 957,777 |
| Inspections | | \$ - | \$ 15,252 | \$ 8,069 | \$ 41,870 | \$ 16,425 | \$ 8,825 | \$ 17,256 | \$ 17,688 | \$ 9,357 | \$ 18,583 | \$ 153,324 |
| Engine Restoral | | \$ - | \$ 154,058 | \$ 38,033 | \$ 150,765 | \$ - | \$ 40,957 | \$ 377,121 | \$ - | \$ 44,106 | \$ 174,841 | \$ 979,879 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ 64,147 | \$ 65,751 | \$ 67,394 | \$ 69,079 | \$ 70,806 | \$ 72,576 | \$ 74,391 | \$ 76,251 | \$ 78,157 | \$ 80,111 | \$ 718,663 |
| Life Limited Components (All) | | \$ - | \$ 6,587 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,830 | \$ - | \$ 14,416 |
| Other Services | | | | | | | | | | | | \$ - |
| Flight Hour Cost | | \$ 8,244 | \$ 8,450 | \$ 8,661 | \$ 8,878 | \$ 9,100 | \$ 9,327 | \$ 9,560 | \$ 9,799 | \$ 10,044 | \$ 10,295 | \$ 92,359 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ 84,368 | \$ 86,477 | \$ 88,639 | \$ 90,855 | \$ 93,127 | \$ 95,455 | \$ 97,841 | \$ 100,287 | \$ 102,794 | \$ 105,364 | \$ 945,209 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 302,451 | \$ 485,909 | \$ 363,864 | \$ 518,341 | \$ 350,274 | \$ 391,978 | \$ 745,127 | \$ 377,207 | \$ 429,800 | \$ 571,144 | \$ 4,536,095 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 191,490 | \$ 196,277 | \$ 201,184 | \$ 206,214 | \$ 211,369 | \$ 216,653 | \$ 222,070 | \$ 227,621 | \$ 233,312 | \$ 239,145 | \$ 2,145,336 |
| Maintenance Technicians | | \$ 59,324 | \$ 60,807 | \$ 62,327 | \$ 63,885 | \$ 65,483 | \$ 67,120 | \$ 68,798 | \$ 70,518 | \$ 72,281 | \$ 74,088 | \$ 664,629 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 75,244 | \$ 77,125 | \$ 79,053 | \$ 81,030 | \$ 83,056 | \$ 85,132 | \$ 87,260 | \$ 89,442 | \$ 91,678 | \$ 93,970 | \$ 842,989 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 7,225 | \$ 7,406 | \$ 7,591 | \$ 7,781 | \$ 7,975 | \$ 8,174 | \$ 8,379 | \$ 8,588 | \$ 8,803 | \$ 9,023 | \$ 80,944 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 851 | \$ 872 | \$ 894 | \$ 916 | \$ 939 | \$ 963 | \$ 987 | \$ 1,012 | \$ 1,037 | \$ 1,063 | \$ 9,534 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ 400 | \$ 410 | \$ 420 | \$ 431 | \$ 442 | \$ 453 | \$ 464 | \$ 475 | \$ 487 | \$ 500 | \$ 4,481 |
| Total Fixed Cost | | \$ 334,534 | \$ 342,898 | \$ 351,470 | \$ 360,257 | \$ 369,263 | \$ 378,495 | \$ 387,957 | \$ 397,656 | \$ 407,597 | \$ 417,787 | \$ 3,747,914 |

| | | | | | | | | | | | | |
|-------------------------------|------------|------------|------------|------------|------------|------------|--------------|------------|------------|--------------|------------|--------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 61,862 | \$ 63,409 | \$ 64,994 | \$ 66,619 | \$ 68,284 | \$ 69,991 | \$ 71,741 | \$ 73,534 | \$ 75,373 | \$ 77,257 | \$ 79,186 | \$ 693,064 |
| Administrative Overhead (G&A) | \$ 48,154 | \$ 49,358 | \$ 50,592 | \$ 51,857 | \$ 53,153 | \$ 54,482 | \$ 55,844 | \$ 57,240 | \$ 58,671 | \$ 60,138 | \$ 61,650 | \$ 539,488 |
| Total Annual Cost | \$ 747,001 | \$ 941,573 | \$ 830,920 | \$ 997,073 | \$ 840,974 | \$ 894,945 | \$ 1,260,669 | \$ 905,637 | \$ 971,442 | \$ 1,126,326 | \$ 951,650 | \$ 9,516,560 |

Life Cycle Cost 2000

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | |
|-------------|------|-------|-------------|--------------|
| Airframe: | 1.04 | | Airframe: | \$ 72.71 /FH |
| Engine: | 0.40 | | Engine: | \$ 15.00 |
| Avionics: | 0.30 | | Avionics: | \$ 20.00 |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycl Start (Hrs) | Frequency | | Cycles | Years |
|-------------|----|--------------------|---------------------------------------|--------------------------------|-----------|--|--------|-------|
| | | | | | Hours | | | |
| Recurring | 1 | 100 Hour | \$ 120 | | 100 | | | |
| | 2 | 600 Hour | \$ 7,200 | | 600 | | | |
| | 3 | 12 Month | \$ 7,200 | | | | | 1 |
| | 4 | 6000 Hour Extended | \$ 24,000 | | 6000 | | | |
| | 5 | | | | | | | |
| | 6 | | | | | | | |
| | 7 | | | | | | | |
| | 8 | | | | | | | |
| | 9 | | | | | | | |
| | 10 | | | | | | | |
| | 11 | | | | | | | |
| | 12 | | | | | | | |
| One Time | 1 | | | | | | | |
| | 2 | | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency | | Cycles | Years |
|--------------------|----|---------------|-------------------------------|---------------------------|-----------|--|--------|-------|
| | | | | | Hours | | | |
| | 1 | M/R Gearbox | \$ 131,172 | | 5000 | | | |
| | 2 | T/R Gearbox | \$ 4,544 | | 3600 | | | |
| | 3 | Int Gearbox | \$ 5,335 | | 3600 | | | |
| | 4 | SPAS Actuator | \$ 7,660 | | 3600 | | | |
| | 5 | | | | | | | |
| | 6 | | | | | | | |
| | 7 | | | | | | | |
| | 8 | | | | | | | |
| | 9 | | | | | | | |
| | 10 | | | | | | | |
| | 11 | | | | | | | |
| | 12 | | | | | | | |
| | 13 | | | | | | | |
| | 14 | | | | | | | |
| | 15 | | | | | | | |
| | 16 | | | | | | | |
| | 17 | | | | | | | |
| | 18 | | | | | | | |
| | 19 | | | | | | | |
| | 20 | | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|---------------------|----------------------------|---------------------------|--------------------|--------|-------|
| | Name: | | | | | |
| 1 | Hex Bolt (2) | \$ 120 | | 4500 | | |
| 2 | Inner Sleeve (4) | \$ 64,486 | | 10200 | | |
| 3 | Laminated Pile Assy | \$ 5,833 | | | 11700 | |
| 4 | Fitted Bolts (2) | \$ 593 | | | 11700 | |
| 5 | Shaft T/R Drive | \$ 4,324 | | 11200 | | |
| 6 | Screw | \$ 11 | | 4800 | | |
| 7 | Bearing Block | \$ 1,623 | | 14000 | | |
| 8 | Fitted Bolt | \$ 526 | | 16800 | | |
| 9 | Hex Bolt | \$ 43 | | 4500 | | |
| 10 | Transmission Case | \$ 177,543 | | 12000 | | |
| 11 | Support Assy | \$ 5,712 | | 12000 | | |
| 12 | Fitting Assy | \$ 1,866 | | 12000 | | |
| 13 | Fitting | \$ 571 | | 12000 | | |
| 14 | Stay Assy (5) | \$ 13,125 | | 12000 | | |
| 15 | Mount Assy (2) | \$ 35,345 | | 12000 | | |
| 16 | Lug (3) | \$ 1,499 | | 12000 | | |
| 17 | Rod Assy | \$ 1,916 | | 12000 | | |
| 18 | Shaft | \$ 4,321 | | 11200 | | |
| 19 | Bevel Gear Shaft | \$ 7,880 | | 10800 | | |
| 20 | Bevel Gear 1 | \$ 5,514 | | 10800 | | |
| 21 | Bevel Gear Shaft | \$ 6,512 | | 13200 | | |
| 22 | Bevel Gear 2 | \$ 4,649 | | 13200 | | |
| 23 | Bevel Gear 3 | \$ 14,515 | | 18500 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|--------------------------|----------------------------|---------------------------|--------------------|--------|-------|
| | Name: | | | | | |
| Inspection | 1 H.S.I. | \$ 70,000 | | 1200 | | |
| | 2 Overhaul | \$ 85,000 | | 2400 | | |
| | 3 Accessories | \$ 19,895 | | 2400 | | |
| 4 | | | | | | |
| 5 | | | | | | |
| Replacement | 1 Solid Rivet PT Rotor | \$ 57,700 | | 12000 | 11000 | |
| | 2 GP Rotor Disc | \$ 18,100 | | 5000 | 6300 | |
| | 3 GP Rotor Spacer | \$ 5,550 | | 15000 | 25000 | |
| | 4 GP Rotor Sealing Plate | \$ 9,750 | | 15000 | 25000 | |
| | 5 Titanium Impeller | \$ 34,800 | | 15000 | 25000 | |
| | 6 Axial Compressor | \$ 18,300 | | 15000 | 25000 | |
| | 7 Compressor Shaft | \$ 6,750 | | 15000 | 25000 | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|-----------------------|----------|
| For: | DOE SRS N116SR | 9-Jun-00 |
| Aircraft: | BK 117B2 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: BK 117 Present Fleet - Costs Normalized

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE SRS N116SR

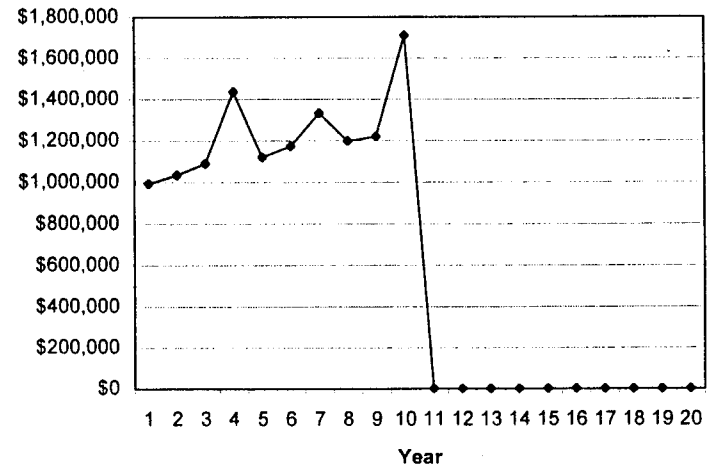
Type of Operation: **Government**

Make/Model: **Used BK 117B2** Date: **9-Jun-00**

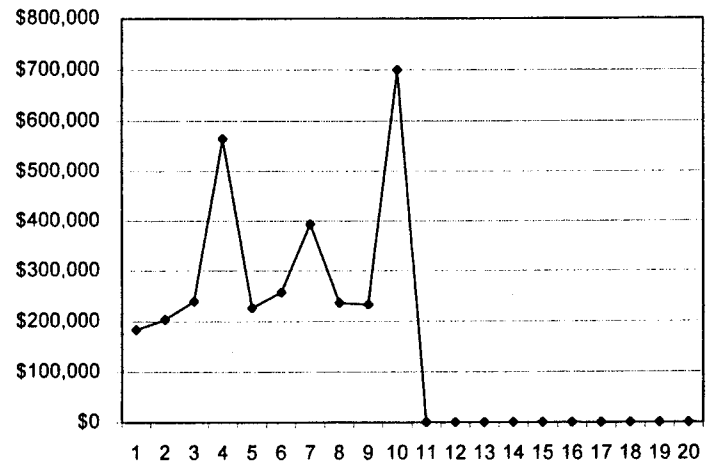
Program Length: **10 Years** Acquisition: **Purchase**

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 406.3 | | Purchase Price | \$ | 1,030,000 |
| Cycles/Hour | 4.57 | | State Sales Tax: | \$ | - |
| Residual Value | 95 | % | Spares + Tooling | \$ | - |
| MX Labor Rate | \$ 58.00 | /MH | Initial Training: | \$ | - |
| Fuel Cost | \$ 0.89 | /GAL | Trade-in/Other: | \$ | - |
| | | | Total | \$ | 1,030,000 |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 5926 | | Finance Cost/Year | \$ | - |
| Total Years | 16 | | Final Payment | \$ | - |
| Total Cycles | 27105 | | Lease Cost/Year | \$ | - |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ | - |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | | | | |
| Total Direct Cost | | \$ 4,423,406 | \$ 442,341 | \$ 1,089 | \$ 8.13 |
| Total Fixed Cost | | \$ 4,075,556 | \$ 407,556 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 3,789,667 | \$ 378,967 | | |
| Total Cost: | | \$ 12,288,629 | \$ 1,228,863 | \$ 3,025 | \$ 22.57 |
| Annual Budget: | Year 1 | \$ 991,761 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 1,031,811 | Year 12 | \$ - | |
| | Year 3 | \$ 1,088,074 | Year 13 | \$ - | |
| | Year 4 | \$ 1,434,241 | Year 14 | \$ - | |
| | Year 5 | \$ 1,118,241 | Year 15 | \$ - | |
| | Year 6 | \$ 1,171,737 | Year 16 | \$ - | |
| | Year 7 | \$ 1,329,757 | Year 17 | \$ - | |
| | Year 8 | \$ 1,196,779 | Year 18 | \$ - | |
| | Year 9 | \$ 1,217,727 | Year 19 | \$ - | |
| | Year 10 | \$ 1,708,502 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

9-Jun-00

(Page 2)

DOE SRS N116SR

Government

Make/Model:

Used

BK 117B2

Acquisition: Purchase

406.3 Hours/Year

Aircraft Value:

\$

Residual Value: \$

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | | \$ 21,717 | \$ 22,264 | \$ 22,820 | \$ 23,391 | \$ 23,976 | \$ 24,575 | \$ 25,189 | \$ 25,819 | \$ 26,465 | \$ 27,126 | \$ 243,343 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$25,755 | \$ 26,399 | \$ 27,059 | \$ 27,735 | \$ 28,429 | \$ 29,139 | \$ 29,868 | \$ 30,615 | \$ 31,380 | \$ 32,164 | \$ 288,543 |
| Parts | | \$85,490 | \$ 87,627 | \$ 89,818 | \$ 92,063 | \$ 94,365 | \$ 96,724 | \$ 99,142 | \$ 101,621 | \$ 104,161 | \$ 106,765 | \$ 957,777 |
| Inspections | | \$ - | \$ 15,252 | \$ 8,069 | \$ 16,024 | \$ 16,425 | \$ 8,689 | \$ 17,256 | \$ 17,688 | \$ 9,357 | \$ 18,583 | \$ 127,343 |
| Engine Restoral | | \$ - | \$ - | \$ 38,033 | \$ 350,194 | \$ - | \$ 40,957 | \$ 162,357 | \$ - | \$ - | \$ 451,327 | \$ 1,042,867 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ 64,147 | \$ 65,751 | \$ 67,394 | \$ 69,079 | \$ 70,806 | \$ 72,576 | \$ 74,391 | \$ 76,251 | \$ 78,157 | \$ 80,111 | \$ 718,663 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ 7,093 | \$ - | \$ - | \$ 194 | \$ - | \$ 14 | \$ 7,301 |
| Other Services | | | | | | | | | | | | \$ - |
| Flight Hour Cost | | \$ 8,244 | \$ 8,450 | \$ 8,661 | \$ 8,878 | \$ 9,100 | \$ 9,327 | \$ 9,560 | \$ 9,799 | \$ 10,044 | \$ 10,295 | \$ 92,359 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ 84,368 | \$ 86,477 | \$ 88,639 | \$ 90,855 | \$ 93,127 | \$ 95,455 | \$ 97,841 | \$ 100,287 | \$ 102,794 | \$ 105,364 | \$ 945,209 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 289,721 | \$ 312,220 | \$ 350,494 | \$ 678,220 | \$ 343,320 | \$ 377,443 | \$ 515,605 | \$ 362,274 | \$ 362,359 | \$ 831,750 | \$ 4,423,406 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 191,490 | \$ 196,277 | \$ 201,184 | \$ 206,214 | \$ 211,369 | \$ 216,653 | \$ 222,070 | \$ 227,621 | \$ 233,312 | \$ 239,145 | \$ 2,145,336 |
| Maintenance Technicians | | \$ 59,324 | \$ 60,807 | \$ 62,327 | \$ 63,885 | \$ 65,483 | \$ 67,120 | \$ 68,798 | \$ 70,518 | \$ 72,281 | \$ 74,088 | \$ 664,629 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 104,489 | \$ 107,101 | \$ 109,779 | \$ 112,523 | \$ 115,336 | \$ 118,220 | \$ 121,175 | \$ 124,205 | \$ 127,310 | \$ 130,493 | \$ 1,170,631 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 7,225 | \$ 7,406 | \$ 7,591 | \$ 7,781 | \$ 7,975 | \$ 8,174 | \$ 8,379 | \$ 8,588 | \$ 8,803 | \$ 9,023 | \$ 80,944 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 851 | \$ 872 | \$ 894 | \$ 916 | \$ 939 | \$ 963 | \$ 987 | \$ 1,012 | \$ 1,037 | \$ 1,063 | \$ 9,534 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ 400 | \$ 410 | \$ 420 | \$ 431 | \$ 442 | \$ 453 | \$ 464 | \$ 475 | \$ 487 | \$ 500 | \$ 4,481 |
| Total Fixed Cost | | \$ 363,779 | \$ 372,874 | \$ 382,195 | \$ 391,750 | \$ 401,544 | \$ 411,583 | \$ 421,872 | \$ 432,419 | \$ 443,230 | \$ 454,310 | \$ 4,075,556 |

| | | | | | | | | | | | | |
|-------------------------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 66,488 | \$ 68,150 | \$ 69,854 | \$ 71,600 | \$ 73,390 | \$ 75,225 | \$ 77,106 | \$ 79,033 | \$ 81,009 | \$ 83,034 | \$ 84,890 | \$ 744,890 |
| Administrative Overhead (G&A) | \$ 271,773 | \$ 278,567 | \$ 285,532 | \$ 292,670 | \$ 299,987 | \$ 307,486 | \$ 315,173 | \$ 323,053 | \$ 331,129 | \$ 339,407 | \$ 347,777 | \$ 3,044,777 |
| Total Annual Cost | \$ 991,761 | \$ 1,031,811 | \$ 1,088,074 | \$ 1,143,241 | \$ 1,198,241 | \$ 1,253,241 | \$ 1,308,241 | \$ 1,363,241 | \$ 1,418,241 | \$ 1,473,241 | \$ 1,528,241 | \$ 12,288,629 |

Life Cycle Cost 2000

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | | |
|-------------|------|-------|-------------|----------|-----|
| Airframe: | 1.04 | | Airframe: | \$ 72.71 | /FH |
| Engine: | 0.40 | | Engine: | \$ 15.00 | |
| Avionics: | 0.30 | | Avionics: | \$ 20.00 | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycl Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|--------------------|---------------------------------------|--------------------------------|--------------------|--------|-------|
| Recurring | 1 | 100 Hour | \$ 120 | | 100 | | |
| | 2 | 600 Hour | \$ 7,200 | | 600 | | |
| | 3 | 12 Month | \$ 7,200 | | | | 1 |
| | 4 | 6000 Hour Extended | \$ 24,000 | | 6000 | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|---------------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | M/R Gearbox | \$ 131,172 | | 5000 | | |
| | 2 | T/R Gearbox | \$ 4,544 | | 3600 | | |
| | 3 | Int Gearbox | \$ 5,335 | | 3600 | | |
| | 4 | SPAS Actuator | \$ 7,660 | | 3600 | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
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| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|---------------------|----------------------------|---------------------------|--------------------|--------|-------|
| | Name: | | | | | |
| 1 | Hex Bolt (2) | \$ 120 | | 4500 | | |
| 2 | Inner Sleeve (4) | \$ 64,486 | | 10200 | | |
| 3 | Laminated Pile Assy | \$ 5,833 | | | 11700 | |
| 4 | Fitted Bolts (2) | \$ 593 | | | 11700 | |
| 5 | Shaft T/R Drive | \$ 4,324 | | 11200 | | |
| 6 | Screw | \$ 11 | | 4800 | | |
| 7 | Bearing Block | \$ 1,623 | | 14000 | | |
| 8 | Fitted Bolt | \$ 526 | | 16800 | | |
| 9 | Hex Bolt | \$ 43 | | 4500 | | |
| 10 | Transmission Case | \$ 177,543 | | 12000 | | |
| 11 | Support Assy | \$ 5,712 | | 12000 | | |
| 12 | Fitting Assy | \$ 1,866 | | 12000 | | |
| 13 | Fitting | \$ 571 | | 12000 | | |
| 14 | Stay Assy (5) | \$ 13,125 | | 12000 | | |
| 15 | Mount Assy (2) | \$ 35,345 | | 12000 | | |
| 16 | Lug (3) | \$ 1,499 | | 12000 | | |
| 17 | Rod Assy | \$ 1,916 | | 12000 | | |
| 18 | Shaft | \$ 4,321 | | 11200 | | |
| 19 | Bevel Gear Shaft | \$ 7,880 | | 10800 | | |
| 20 | Bevel Gear 1 | \$ 5,514 | | 10800 | | |
| 21 | Bevel Gear Shaft | \$ 6,512 | | 13200 | | |
| 22 | Bevel Gear 2 | \$ 4,649 | | 13200 | | |
| 23 | Bevel Gear 3 | \$ 14,515 | | 18500 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|-----------------------------------|--------------------------|----------------------------|---------------------------|--------------------|--------|-------|
| | Name: | | | | | |
| Inspection | 1 H.S.I. | \$ 70,000 | | 1200 | | |
| | 2 Overhaul | \$ 85,000 | | 2400 | | |
| | 3 Accessories | \$ 19,895 | | 2400 | | |
| | 4 | | | | | |
| Replacement | 5 | | | | | |
| | 1 Solid Rivet PT Rotor | \$ 57,700 | | 12000 | 11000 | |
| | 2 GP Rotor Disc | \$ 18,100 | | 5000 | 6300 | |
| | 3 GP Rotor Spacer | \$ 5,550 | | 15000 | 25000 | |
| | 4 GP Rotor Sealing Plate | \$ 9,750 | | 15000 | 25000 | |
| | 5 Titanium Impeller | \$ 34,800 | | 15000 | 25000 | |
| | 6 Axial Compressor | \$ 18,300 | | 15000 | 25000 | |
| | 7 Compressor Shaft | \$ 6,750 | | 15000 | 25000 | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|----------------|----------|
| For: | DOE SRS N116SR | 9-Jun-00 |
| Aircraft: | BK 117B2 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: BK 117 Present Fleet Should Cost
Ops. O/H at 10% and G&A at 10%

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE SRS N116SR

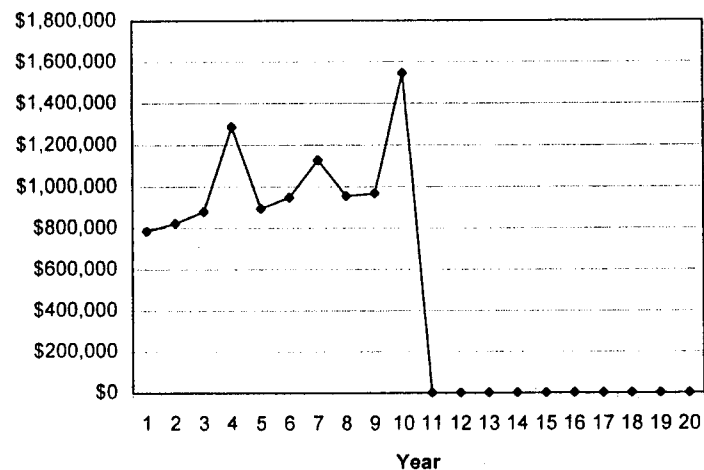
Type of Operation: **Government**

Make/Model: **Used BK 117B2** Date: **9-Jun-00**

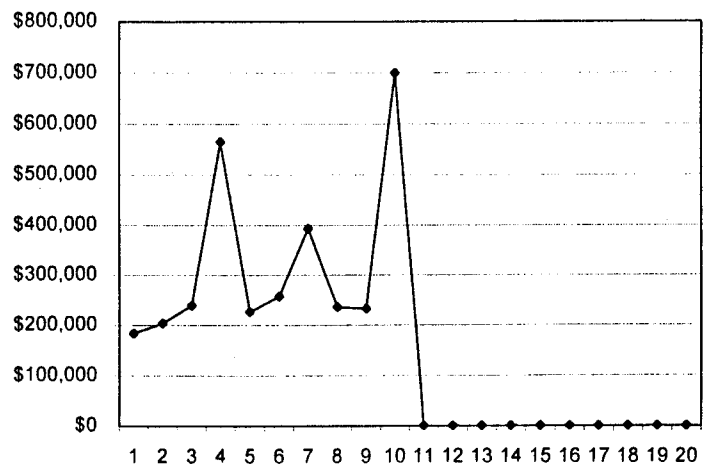
Program Length: **10 Years** Acquisition: **Purchase**

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 406.3 | | Purchase Price | \$ | 1,030,000 |
| Cycles/Hour | 4.57 | | State Sales Tax: | \$ | - |
| Residual Value | 95 | % | Spares + Tooling | \$ | - |
| MX Labor Rate | \$ 58.00 | /MH | Initial Training: | \$ | - |
| Fuel Cost | \$ 0.89 | /GAL | Trade-in/Other: | \$ | - |
| | | | Total | \$ | 1,030,000 |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 5926 | | Finance Cost/Year | \$ | - |
| Total Years | 16 | | Final Payment | \$ | - |
| Total Cycles | 27105 | | Lease Cost/Year | \$ | - |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ | - |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | | | | |
| Total Direct Cost | | \$ 4,423,406 | \$ 442,341 | \$ 1,089 | \$ 8.13 |
| Total Fixed Cost | | \$ 4,075,556 | \$ 407,556 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,699,792 | \$ 169,979 | | |
| Total Cost: | | \$ 10,198,755 | \$ 1,019,876 | \$ 2,510 | \$ 18.73 |
| Annual Budget: | Year 1 | \$ 784,200 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 822,112 | Year 12 | \$ - | |
| | Year 3 | \$ 879,227 | Year 13 | \$ - | |
| | Year 4 | \$ 1,283,965 | Year 14 | \$ - | |
| | Year 5 | \$ 893,837 | Year 15 | \$ - | |
| | Year 6 | \$ 946,831 | Year 16 | \$ - | |
| | Year 7 | \$ 1,124,973 | Year 17 | \$ - | |
| | Year 8 | \$ 953,631 | Year 18 | \$ - | |
| | Year 9 | \$ 966,706 | Year 19 | \$ - | |
| | Year 10 | \$ 1,543,272 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST (Page 1)

9-Jun-00

(Page 2)

DOE SRS N116SR

Government

Make/Model: Used **BK 117B2** Acquisition: Purchase 406.3 Hours/Year

Aircraft Value: \$ - Residual Value: \$ -

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Fuel | | \$ 21,717 | \$ 22,264 | \$ 22,820 | \$ 23,391 | \$ 23,976 | \$ 24,575 | \$ 25,189 | \$ 25,819 | \$ 26,465 | \$ 27,126 | \$ 243,343 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$25,755 | \$ 26,399 | \$ 27,059 | \$ 27,735 | \$ 28,429 | \$ 29,139 | \$ 29,868 | \$ 30,615 | \$ 31,380 | \$ 32,164 | \$ 288,543 |
| Parts | | \$85,490 | \$ 87,627 | \$ 89,818 | \$ 92,063 | \$ 94,365 | \$ 96,724 | \$ 99,142 | \$ 101,621 | \$ 104,161 | \$ 106,765 | \$ 957,777 |
| Inspections | | \$ - | \$ 15,252 | \$ 8,069 | \$ 16,024 | \$ 16,425 | \$ 8,689 | \$ 17,256 | \$ 17,688 | \$ 9,357 | \$ 18,583 | \$ 127,343 |
| Engine Restoral | | \$ - | \$ - | \$ 38,033 | \$ 350,194 | \$ - | \$ 40,957 | \$ 162,357 | \$ - | \$ - | \$ 451,327 | \$ 1,042,867 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ 64,147 | \$ 65,751 | \$ 67,394 | \$ 69,079 | \$ 70,806 | \$ 72,576 | \$ 74,391 | \$ 76,251 | \$ 78,157 | \$ 80,111 | \$ 718,663 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ 7,093 | \$ - | \$ - | \$ 194 | \$ - | \$ 14 | \$ 7,301 |
| Other Services | | | | | | | | | | | | \$ - |
| Flight Hour Cost | | \$ 8,244 | \$ 8,450 | \$ 8,661 | \$ 8,878 | \$ 9,100 | \$ 9,327 | \$ 9,560 | \$ 9,799 | \$ 10,044 | \$ 10,295 | \$ 92,359 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ 84,368 | \$ 86,477 | \$ 88,639 | \$ 90,855 | \$ 93,127 | \$ 95,455 | \$ 97,841 | \$ 100,287 | \$ 102,794 | \$ 105,364 | \$ 945,209 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 289,721 | \$ 312,220 | \$ 350,494 | \$ 678,220 | \$ 343,320 | \$ 377,443 | \$ 515,605 | \$ 362,274 | \$ 362,359 | \$ 831,750 | \$ 4,423,406 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 191,490 | \$ 196,277 | \$ 201,184 | \$ 206,214 | \$ 211,369 | \$ 216,653 | \$ 222,070 | \$ 227,621 | \$ 233,312 | \$ 239,145 | \$ 2,145,336 |
| Maintenance Technicians | | \$ 59,324 | \$ 60,807 | \$ 62,327 | \$ 63,885 | \$ 65,483 | \$ 67,120 | \$ 68,798 | \$ 70,518 | \$ 72,281 | \$ 74,088 | \$ 664,629 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 104,489 | \$ 107,101 | \$ 109,779 | \$ 112,523 | \$ 115,336 | \$ 118,220 | \$ 121,175 | \$ 124,205 | \$ 127,310 | \$ 130,493 | \$ 1,170,631 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 7,225 | \$ 7,406 | \$ 7,591 | \$ 7,781 | \$ 7,975 | \$ 8,174 | \$ 8,379 | \$ 8,588 | \$ 8,803 | \$ 9,023 | \$ 80,944 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 851 | \$ 872 | \$ 894 | \$ 916 | \$ 939 | \$ 963 | \$ 987 | \$ 1,012 | \$ 1,037 | \$ 1,063 | \$ 9,534 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ 400 | \$ 410 | \$ 420 | \$ 431 | \$ 442 | \$ 453 | \$ 464 | \$ 475 | \$ 487 | \$ 500 | \$ 4,481 |
| Total Fixed Cost | | \$ 363,779 | \$ 372,874 | \$ 382,195 | \$ 391,750 | \$ 401,544 | \$ 411,583 | \$ 421,872 | \$ 432,419 | \$ 443,230 | \$ 454,310 | \$ 4,075,556 |

| | | | | | | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|---------------------|-------------------|-------------------|---------------------|----------------------|------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 65,350 | \$ 68,509 | \$ 73,269 | \$ 106,997 | \$ 74,486 | \$ 78,903 | \$ 93,748 | \$ 79,469 | \$ 80,559 | \$ 128,606 | \$ 849,896 | \$ 849,896 |
| Administrative Overhead (G&A) | \$ 65,350 | \$ 68,509 | \$ 73,269 | \$ 106,997 | \$ 74,486 | \$ 78,903 | \$ 93,748 | \$ 79,469 | \$ 80,559 | \$ 128,606 | \$ 849,896 | \$ 849,896 |
| Total Annual Cost | \$ 784,200 | \$ 822,112 | \$ 879,227 | \$ 1,283,965 | \$ 893,837 | \$ 946,831 | \$ 1,124,973 | \$ 953,631 | \$ 966,706 | \$ 1,543,272 | \$ 10,198,754 | |

Life Cycle Cost 2000

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

| Labor MH/FH | | Parts \$/FH | |
|-------------|------|-------------|------------------------|
| Airframe: | 1.04 | MH/FH | Airframe: \$ 72.71 /FH |
| Engine: | 0.40 | | Engine: \$ 15.00 |
| Avionics: | 0.30 | | Avionics: \$ 20.00 |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycle Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|--------------------|---------------------------------------|---------------------------------|--------------------|--------|-------|
| Recurring | 1 | 100 Hour | \$ 120 | | 100 | | |
| | 2 | 600 Hour | \$ 7,200 | | 600 | | |
| | 3 | 12 Month | \$ 7,200 | | | | 1 |
| | 4 | 6000 Hour Extended | \$ 24,000 | | 6000 | | |
| | 5 | | | | | | |
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| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|---------------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | M/R Gearbox | \$ 131,172 | | 5000 | | |
| | 2 | T/R Gearbox | \$ 4,544 | | 3600 | | |
| | 3 | Int Gearbox | \$ 5,335 | | 3600 | | |
| | 4 | SPAS Actuator | \$ 7,660 | | 3600 | | |
| | 5 | | | | | | |
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| | 19 | | | | | | |
| | 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Hex Bolt (2) | \$ 120 | | 4500 | | |
| 2 | Inner Sleeve (4) | \$ 64,486 | | 10200 | | |
| 3 | Laminated Pile Assy | \$ 5,833 | | | 11700 | |
| 4 | Fitted Bolts (2) | \$ 593 | | | 11700 | |
| 5 | Shaft T/R Drive | \$ 4,324 | | 11200 | | |
| 6 | Screw | \$ 11 | | 4800 | | |
| 7 | Bearing Block | \$ 1,623 | | 14000 | | |
| 8 | Fitted Bolt | \$ 526 | | 16800 | | |
| 9 | Hex Bolt | \$ 43 | | 4500 | | |
| 10 | Transmission Case | \$ 177,543 | | 12000 | | |
| 11 | Support Assy | \$ 5,712 | | 12000 | | |
| 12 | Fitting Assy | \$ 1,866 | | 12000 | | |
| 13 | Fitting | \$ 571 | | 12000 | | |
| 14 | Stay Assy (5) | \$ 13,125 | | 12000 | | |
| 15 | Mount Assy (2) | \$ 35,345 | | 12000 | | |
| 16 | Lug (3) | \$ 1,499 | | 12000 | | |
| 17 | Rod Assy | \$ 1,916 | | 12000 | | |
| 18 | Shaft | \$ 4,321 | | 11200 | | |
| 19 | Bevel Gear Shaft | \$ 7,880 | | 10800 | | |
| 20 | Bevel Gear 1 | \$ 5,514 | | 10800 | | |
| 21 | Bevel Gear Shaft | \$ 6,512 | | 13200 | | |
| 22 | Bevel Gear 2 | \$ 4,649 | | 13200 | | |
| 23 | Bevel Gear 3 | \$ 14,515 | | 18500 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|--------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 H.S.I. | \$ 70,000 | | 1200 | | |
| | 2 Overhaul | \$ 85,000 | | 2400 | | |
| | 3 Accessories | \$ 19,895 | | 2400 | | |
| | 4 | | | | | |
| Replacement | 5 | | | | | |
| | 1 Solid Rivet PT Rotor | \$ 57,700 | | 12000 | 11000 | |
| | 2 GP Rotor Disc | \$ 18,100 | | 5000 | 6300 | |
| | 3 GP Rotor Spacer | \$ 5,550 | | 15000 | 25000 | |
| | 4 GP Rotor Sealing Plate | \$ 9,750 | | 15000 | 25000 | |
| | 5 Titanium Impeller | \$ 34,800 | | 15000 | 25000 | |
| | 6 Axial Compressor | \$ 18,300 | | 15000 | 25000 | |
| | 7 Compressor Shaft | \$ 6,750 | | 15000 | 25000 | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|----------------|----------|
| For: | DOE SRS N116SR | 9-Jun-00 |
| Aircraft: | BK 117B2 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: BK 117 Future Fleet (Labor benefits at 25%)
Ops. O/H and G&A maxed at 25% of labor & benefits

Life Cycle Cost 2000

ANNUAL COST SUMMARY

Version 4.0 Software Copyright 2000

DOE SRS N116SR

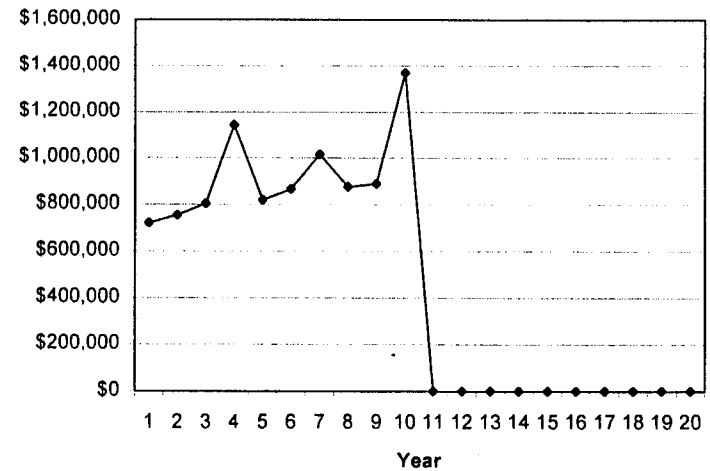
Type of Operation: **Government**

Make/Model: **Used BK 117B2** Date: **9-Jun-00**

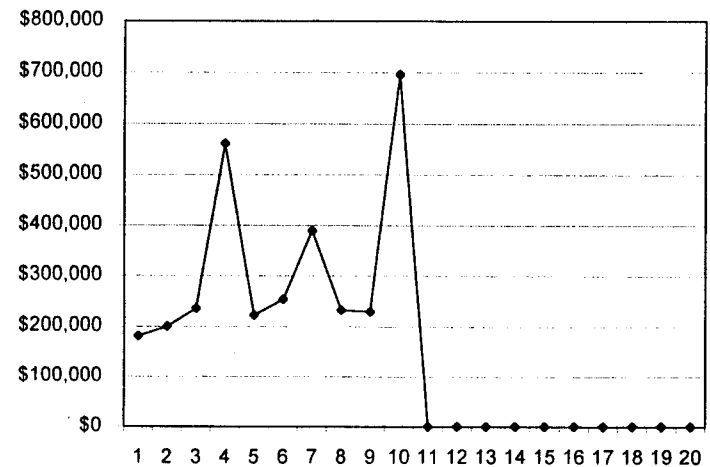
Program Length: **10 Years** Acquisition: **Purchase**

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 406.3 | | Purchase Price | \$ | 1,030,000 |
| Cycles/Hour | 4.57 | | State Sales Tax: | \$ | - |
| Residual Value | 95 | % | Spares + Tooling | \$ | - |
| MX Labor Rate | \$ 58.00 | /MH | Initial Training: | \$ | - |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ | - |
| | | | Total | \$ | 1,030,000 |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 5926 | | Finance Cost/Year | \$ | - |
| Total Years | 16 | | Final Payment | \$ | - |
| Total Cycles | 27105 | | Lease Cost/Year | \$ | - |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ | - |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | \$ | - | | | |
| Total Direct Cost | \$ | 4,555,802 | \$ | 455,580 | \$ 1,121 \$ 8.37 |
| Total Fixed Cost | \$ | 3,607,416 | \$ | 360,742 | |
| Residual Value | \$ | - | | | |
| Total Finance/Lease Cost | \$ | - | \$ | - | |
| Ops + Admin Overhead | \$ | 1,080,701 | \$ | 108,070 | |
| Total Cost: | \$ | 9,243,919 | \$ | 924,392 | \$ 2,275 \$ 16.98 |
| Annual Budget: | Year 1 | \$ 719,998 | Year 11 | \$ | - |
| (No Depreciation) | Year 2 | \$ 753,249 | Year 12 | \$ | - |
| | Year 3 | \$ 802,549 | Year 13 | \$ | - |
| | Year 4 | \$ 1,141,577 | Year 14 | \$ | - |
| | Year 5 | \$ 818,261 | Year 15 | \$ | - |
| | Year 6 | \$ 864,257 | Year 16 | \$ | - |
| | Year 7 | \$ 1,014,590 | Year 17 | \$ | - |
| | Year 8 | \$ 873,733 | Year 18 | \$ | - |
| | Year 9 | \$ 886,604 | Year 19 | \$ | - |
| | Year 10 | \$ 1,369,102 | Year 20 | \$ | - |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

9-Jun-00

(Page 2)

DOE SRS N116SR

Government

Make/Model:

Used

BK 117B2

Acquisition: Purchase

406.3 Hours/Year

Aircraft Value: \$

-

Residual Value: \$

-

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | | \$ 36,567 | \$ 37,481 | \$ 38,418 | \$ 39,379 | \$ 40,363 | \$ 41,372 | \$ 42,407 | \$ 43,467 | \$ 44,553 | \$ 45,667 | \$ 409,674 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 22,726 | \$ 23,294 | \$ 23,877 | \$ 24,473 | \$ 25,085 | \$ 25,712 | \$ 26,355 | \$ 27,014 | \$ 27,689 | \$ 28,382 | \$ 254,608 |
| Parts | | \$ 85,490 | \$ 87,627 | \$ 89,818 | \$ 92,063 | \$ 94,365 | \$ 96,724 | \$ 99,142 | \$ 101,621 | \$ 104,161 | \$ 106,765 | \$ 957,777 |
| Inspections | | \$ - | \$ 15,252 | \$ 8,069 | \$ 16,024 | \$ 16,425 | \$ 8,689 | \$ 17,256 | \$ 17,688 | \$ 9,357 | \$ 18,583 | \$ 127,343 |
| Engine Restoral | | \$ - | \$ - | \$ 38,033 | \$ 350,194 | \$ - | \$ 40,957 | \$ 162,357 | \$ - | \$ - | \$ 451,327 | \$ 1,042,867 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ 64,147 | \$ 65,751 | \$ 67,394 | \$ 69,079 | \$ 70,806 | \$ 72,576 | \$ 74,391 | \$ 76,251 | \$ 78,157 | \$ 80,111 | \$ 718,663 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ 7,093 | \$ - | \$ - | \$ 194 | \$ - | \$ 14 | \$ 7,301 |
| Other Services | | | | | | | | | | | | \$ - |
| Flight Hour Cost | | \$ 8,244 | \$ 8,450 | \$ 8,661 | \$ 8,878 | \$ 9,100 | \$ 9,327 | \$ 9,560 | \$ 9,799 | \$ 10,044 | \$ 10,295 | \$ 92,359 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ 84,368 | \$ 86,477 | \$ 88,639 | \$ 90,855 | \$ 93,127 | \$ 95,455 | \$ 97,841 | \$ 100,287 | \$ 102,794 | \$ 105,364 | \$ 945,209 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 301,542 | \$ 324,333 | \$ 362,909 | \$ 690,946 | \$ 356,364 | \$ 390,813 | \$ 529,310 | \$ 376,321 | \$ 376,757 | \$ 846,508 | \$ 4,555,802 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 191,490 | \$ 196,277 | \$ 201,184 | \$ 206,214 | \$ 211,369 | \$ 216,653 | \$ 222,070 | \$ 227,621 | \$ 233,312 | \$ 239,145 | \$ 2,145,336 |
| Maintenance Technicians | | \$ 59,324 | \$ 60,807 | \$ 62,327 | \$ 63,885 | \$ 65,483 | \$ 67,120 | \$ 68,798 | \$ 70,518 | \$ 72,281 | \$ 74,088 | \$ 664,629 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 62,704 | \$ 64,271 | \$ 65,878 | \$ 67,525 | \$ 69,213 | \$ 70,943 | \$ 72,717 | \$ 74,535 | \$ 76,398 | \$ 78,308 | \$ 702,491 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 7,225 | \$ 7,406 | \$ 7,591 | \$ 7,781 | \$ 7,975 | \$ 8,174 | \$ 8,379 | \$ 8,588 | \$ 8,803 | \$ 9,023 | \$ 80,944 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 851 | \$ 872 | \$ 894 | \$ 916 | \$ 939 | \$ 963 | \$ 987 | \$ 1,012 | \$ 1,037 | \$ 1,063 | \$ 9,534 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ 400 | \$ 410 | \$ 420 | \$ 431 | \$ 442 | \$ 453 | \$ 464 | \$ 475 | \$ 487 | \$ 500 | \$ 4,481 |
| Total Fixed Cost | | \$ 321,994 | \$ 330,043 | \$ 338,294 | \$ 346,752 | \$ 355,421 | \$ 364,306 | \$ 373,414 | \$ 382,749 | \$ 392,318 | \$ 402,126 | \$ 3,607,416 |

| | | | | | | | | | | | | |
|-------------------------------|------------|------------|------------|--------------|------------|------------|--------------|------------|------------|--------------|--------------|------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 59,877 | \$ 61,374 | \$ 62,908 | \$ 64,481 | \$ 66,093 | \$ 67,745 | \$ 69,439 | \$ 71,175 | \$ 72,954 | \$ 74,778 | \$ 76,645 | \$ 670,825 |
| Administrative Overhead (G&A) | \$ 36,585 | \$ 37,500 | \$ 38,437 | \$ 39,398 | \$ 40,383 | \$ 41,393 | \$ 42,427 | \$ 43,488 | \$ 44,575 | \$ 45,690 | \$ 46,833 | \$ 409,876 |
| Total Annual Cost | \$ 719,998 | \$ 753,249 | \$ 802,549 | \$ 1,141,577 | \$ 818,261 | \$ 864,257 | \$ 1,014,590 | \$ 873,733 | \$ 886,604 | \$ 1,369,102 | \$ 9,243,919 | |

Life Cycle Cost 2000

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

| Labor MH/FH | | MH/FH | Parts \$/FH | |
|-------------|------|-------|-------------|--------------|
| Airframe: | 1.04 | | Airframe: | \$ 72.71 /FH |
| Engine: | 0.40 | | Engine: | \$ 15.00 |
| Avionics: | 0.30 | | Avionics: | \$ 20.00 |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycl Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|--------------------|---------------------------------------|--------------------------------|--------------------|--------|-------|
| Recurring | 1 | 100 Hour | \$ 120 | | 100 | | |
| | 2 | 600 Hour | \$ 7,200 | | 600 | | |
| | 3 | 12 Month | \$ 7,200 | | | | 1 |
| | 4 | 6000 Hour Extended | \$ 24,000 | | 6000 | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|---------------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | M/R Gearbox | \$ 131,172 | | 5000 | | |
| | 2 | T/R Gearbox | \$ 4,544 | | 3600 | | |
| | 3 | Int Gearbox | \$ 5,335 | | 3600 | | |
| | 4 | SPAS Actuator | \$ 7,660 | | 3600 | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Hex Bolt (2) | \$ 120 | | 4500 | | |
| 2 | Inner Sleeve (4) | \$ 64,486 | | 10200 | | |
| 3 | Laminated Pile Assy | \$ 5,833 | | | 11700 | |
| 4 | Fitted Bolts (2) | \$ 593 | | | 11700 | |
| 5 | Shaft T/R Drive | \$ 4,324 | | 11200 | | |
| 6 | Screw | \$ 11 | | 4800 | | |
| 7 | Bearing Block | \$ 1,623 | | 14000 | | |
| 8 | Fitted Bolt | \$ 526 | | 16800 | | |
| 9 | Hex Bolt | \$ 43 | | 4500 | | |
| 10 | Transmission Case | \$ 177,543 | | 12000 | | |
| 11 | Support Assy | \$ 5,712 | | 12000 | | |
| 12 | Fitting Assy | \$ 1,866 | | 12000 | | |
| 13 | Fitting | \$ 571 | | 12000 | | |
| 14 | Stay Assy (5) | \$ 13,125 | | 12000 | | |
| 15 | Mount Assy (2) | \$ 35,345 | | 12000 | | |
| 16 | Lug (3) | \$ 1,499 | | 12000 | | |
| 17 | Rod Assy | \$ 1,916 | | 12000 | | |
| 18 | Shaft | \$ 4,321 | | 11200 | | |
| 19 | Bevel Gear Shaft | \$ 7,880 | | 10800 | | |
| 20 | Bevel Gear 1 | \$ 5,514 | | 10800 | | |
| 21 | Bevel Gear Shaft | \$ 6,512 | | 13200 | | |
| 22 | Bevel Gear 2 | \$ 4,649 | | 13200 | | |
| 23 | Bevel Gear 3 | \$ 14,515 | | 18500 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|--------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 H.S.I. | \$ 70,000 | | 1200 | | |
| | 2 Overhaul | \$ 85,000 | | 2400 | | |
| | 3 Accessories | \$ 19,895 | | 2400 | | |
| | 4 | | | | | |
| Replacement | 5 | | | | | |
| | 1 Solid Rivet PT Rotor | \$ 57,700 | | 12000 | 11000 | |
| | 2 GP Rotor Disc | \$ 18,100 | | 5000 | 6300 | |
| | 3 GP Rotor Spacer | \$ 5,550 | | 15000 | 25000 | |
| | 4 GP Rotor Sealing Plate | \$ 9,750 | | 15000 | 25000 | |
| | 5 Titanium Impeller | \$ 34,800 | | 15000 | 25000 | |
| | 6 Axial Compressor | \$ 18,300 | | 15000 | 25000 | |
| | 7 Compressor Shaft | \$ 6,750 | | 15000 | 25000 | |
| | 8 | | | | | |
| | 9 | | | | | |
| | 10 | | | | | |

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

Cost Of Ownership Analysis

| | | |
|--------------------|----------------|----------|
| For: | DOE SRS N116SR | 9-Jun-00 |
| Aircraft: | BK 117B2 | |
| Status: | Used | |
| Acquisition: | Purchase | |
| Program length: | 10 | Years |
| Type of operation: | Government | |
| Base of operation: | -- | |

Notes: BK 117 Future Fleet GOGO (Labor benefits at 30%)
Ops. O/H at staffing with 30% benefits and G&A at 12% of

Life Cycle Cost 2000

ANNUAL COST SUMMARY

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DOE SRS N116SR

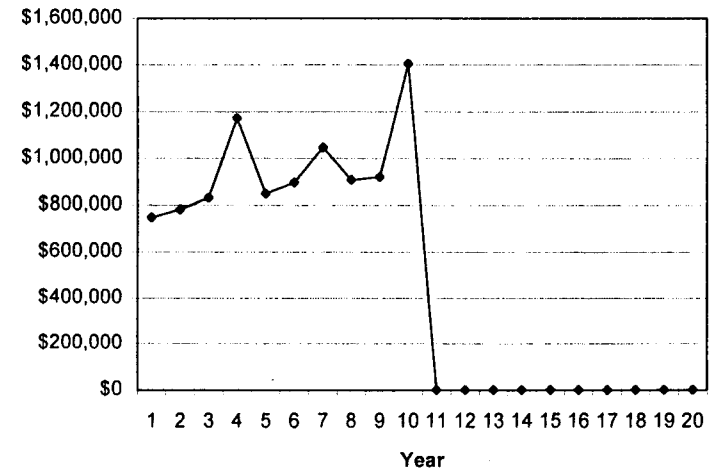
Type of Operation: **Government**

Make/Model: **Used BK 117B2** Date: **9-Jun-00**

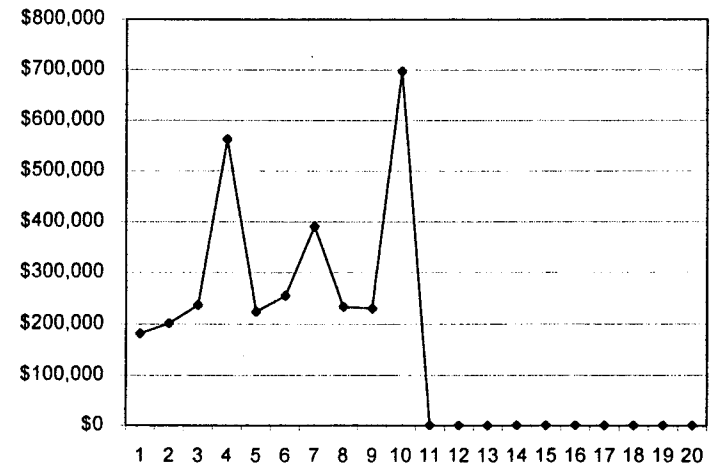
Program Length: **10 Years** Acquisition: **Purchase**

| | | | | | |
|-------------------------------|----------|----------------------|--------------------------------------|------------------|---------------------|
| Program Data: | | | Acquisition Cost + Sales Tax: | | |
| Hrs/Year | 406.3 | | Purchase Price | \$ 1,030,000 | |
| Cycles/Hour | 4.57 | | State Sales Tax: | \$ - | |
| Residual Value | 95 % | | Spares + Tooling | \$ - | |
| MX Labor Rate | \$ 58.00 | /MH | Initial Training: | \$ - | |
| Fuel Cost | \$ 1.50 | /GAL | Trade-in/Other: | \$ - | |
| | | | Total | \$ 1,030,000 | |
| Airframe Status: | | | Lease/Finance Payments: | | |
| Total Hours | 5926 | | Finance Cost/Year | \$ - | |
| Total Years | 16 | | Final Payment | \$ - | |
| Total Cycles | 27105 | | Lease Cost/Year | \$ - | |
| Ave Inflation: | 2.50% | /Year | Insured Value: | \$ - | |
| Life Cycle Cost Total: | | Program Total | Cost/Year | Cost/Hour | Cost/St Mile |
| Total Acquisition + Sales Tax | | \$ - | | | |
| Total Direct Cost | | \$ 4,565,986 | \$ 456,599 | \$ 1,124 | \$ 8.39 |
| Total Fixed Cost | | \$ 3,747,914 | \$ 374,791 | | |
| Residual Value | | \$ - | | | |
| Total Finance/Lease Cost | | \$ - | \$ - | | |
| Ops + Admin Overhead | | \$ 1,232,551 | \$ 123,255 | | |
| Total Cost: | | \$ 9,546,452 | \$ 954,646 | \$ 2,350 | \$ 17.53 |
| Annual Budget: | Year 1 | \$ 747,001 | Year 11 | \$ - | |
| (No Depreciation) | Year 2 | \$ 780,928 | Year 12 | \$ - | |
| | Year 3 | \$ 830,920 | Year 13 | \$ - | |
| | Year 4 | \$ 1,170,657 | Year 14 | \$ - | |
| | Year 5 | \$ 848,068 | Year 15 | \$ - | |
| | Year 6 | \$ 894,810 | Year 16 | \$ - | |
| | Year 7 | \$ 1,045,906 | Year 17 | \$ - | |
| | Year 8 | \$ 905,832 | Year 18 | \$ - | |
| | Year 9 | \$ 919,506 | Year 19 | \$ - | |
| | Year 10 | \$ 1,402,826 | Year 20 | \$ - | |

Annual Operating Cost Budget



Annual Maintenance Cost



Life Cycle Cost 2000

ANNUAL COST

(Page 1)

9-Jun-00

(Page 2)

DOE SRS N116SR

Government

Make/Model:

Used

BK 117B2

Acquisition: Purchase

406.3 Hours/Year

Aircraft Value:

\$

-

Residual Value: \$

-

| Variable Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Fuel | | \$ 36,567 | \$ 37,481 | \$ 38,418 | \$ 39,379 | \$ 40,363 | \$ 41,372 | \$ 42,407 | \$ 43,467 | \$ 44,553 | \$ 45,667 | \$ 409,674 |
| Fuel Additives | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maint Labor | | \$ 23,635 | \$ 24,226 | \$ 24,832 | \$ 25,452 | \$ 26,089 | \$ 26,741 | \$ 27,409 | \$ 28,095 | \$ 28,797 | \$ 29,517 | \$ 264,792 |
| Parts | | \$ 85,490 | \$ 87,627 | \$ 89,818 | \$ 92,063 | \$ 94,365 | \$ 96,724 | \$ 99,142 | \$ 101,621 | \$ 104,161 | \$ 106,765 | \$ 957,777 |
| Inspections | | \$ - | \$ 15,252 | \$ 8,069 | \$ 16,024 | \$ 16,425 | \$ 8,689 | \$ 17,256 | \$ 17,688 | \$ 9,357 | \$ 18,583 | \$ 127,343 |
| Engine Restoral | | \$ - | \$ - | \$ 38,033 | \$ 350,194 | \$ - | \$ 40,957 | \$ 162,357 | \$ - | \$ - | \$ 451,327 | \$ 1,042,867 |
| Engine Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Avionics Guaranteed Mx Plan | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Overhaul (All) | | \$ 64,147 | \$ 65,751 | \$ 67,394 | \$ 69,079 | \$ 70,806 | \$ 72,576 | \$ 74,391 | \$ 76,251 | \$ 78,157 | \$ 80,111 | \$ 718,663 |
| Life Limited Components (All) | | \$ - | \$ - | \$ - | \$ - | \$ 7,093 | \$ - | \$ - | \$ 194 | \$ - | \$ 14 | \$ 7,301 |
| Other Services | | | | | | | | | | | | \$ - |
| Flight Hour Cost | | \$ 8,244 | \$ 8,450 | \$ 8,661 | \$ 8,878 | \$ 9,100 | \$ 9,327 | \$ 9,560 | \$ 9,799 | \$ 10,044 | \$ 10,295 | \$ 92,359 |
| Fixed Cost | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Landing/Parking Fees | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Crew Expenses | | \$ 84,368 | \$ 86,477 | \$ 88,639 | \$ 90,855 | \$ 93,127 | \$ 95,455 | \$ 97,841 | \$ 100,287 | \$ 102,794 | \$ 105,364 | \$ 945,209 |
| Small Supplies | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Variable Cost | | \$ 302,451 | \$ 325,264 | \$ 363,864 | \$ 691,925 | \$ 357,367 | \$ 391,842 | \$ 530,364 | \$ 377,401 | \$ 377,865 | \$ 847,643 | \$ 4,565,986 |

| Fixed Cost | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|-------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Salaries | | | | | | | | | | | | |
| Pilot/Flight Crew | | \$ 191,490 | \$ 196,277 | \$ 201,184 | \$ 206,214 | \$ 211,369 | \$ 216,653 | \$ 222,070 | \$ 227,621 | \$ 233,312 | \$ 239,145 | \$ 2,145,336 |
| Maintenance Technicians | | \$ 59,324 | \$ 60,807 | \$ 62,327 | \$ 63,885 | \$ 65,483 | \$ 67,120 | \$ 68,798 | \$ 70,518 | \$ 72,281 | \$ 74,088 | \$ 664,629 |
| Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Benefits | | \$ 75,244 | \$ 77,125 | \$ 79,053 | \$ 81,030 | \$ 83,056 | \$ 85,132 | \$ 87,260 | \$ 89,442 | \$ 91,678 | \$ 93,970 | \$ 842,989 |
| Hangar | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance | | | | | | | | | | | | |
| Hull | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Liability | | \$ 7,225 | \$ 7,406 | \$ 7,591 | \$ 7,781 | \$ 7,975 | \$ 8,174 | \$ 8,379 | \$ 8,588 | \$ 8,803 | \$ 9,023 | \$ 80,944 |
| Miscellaneous | | | | | | | | | | | | |
| Training Pilot/Maint | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Management Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Brokerage Fee | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| New Int/Paint/Avionics | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Modernization | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nav/Weather Services | | \$ 851 | \$ 872 | \$ 894 | \$ 916 | \$ 939 | \$ 963 | \$ 987 | \$ 1,012 | \$ 1,037 | \$ 1,063 | \$ 9,534 |
| Comp Maint Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Refurbishing | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | | \$ 400 | \$ 410 | \$ 420 | \$ 431 | \$ 442 | \$ 453 | \$ 464 | \$ 475 | \$ 487 | \$ 500 | \$ 4,481 |
| Total Fixed Cost | | \$ 334,534 | \$ 342,898 | \$ 351,470 | \$ 360,257 | \$ 369,263 | \$ 378,495 | \$ 387,957 | \$ 397,656 | \$ 407,597 | \$ 417,787 | \$ 3,747,914 |

| | | | | | | | | | | | | |
|-------------------------------|------------|------------|------------|--------------|------------|------------|--------------|------------|------------|--------------|--------------|------------|
| Finance/Lease Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aircraft Cash Payment/Resale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Final Payment/Loan Payoff | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operations Overhead | \$ 61,862 | \$ 63,409 | \$ 64,994 | \$ 66,619 | \$ 68,284 | \$ 69,991 | \$ 71,741 | \$ 73,534 | \$ 75,373 | \$ 77,257 | \$ 79,186 | \$ 693,064 |
| Administrative Overhead (G&A) | \$ 48,154 | \$ 49,358 | \$ 50,592 | \$ 51,857 | \$ 53,153 | \$ 54,482 | \$ 55,844 | \$ 57,240 | \$ 58,671 | \$ 60,138 | \$ 61,650 | \$ 539,488 |
| Total Annual Cost | \$ 747,001 | \$ 780,928 | \$ 830,920 | \$ 1,170,657 | \$ 848,068 | \$ 894,810 | \$ 1,045,906 | \$ 905,832 | \$ 919,506 | \$ 1,402,826 | \$ 9,546,452 | |

Life Cycle Cost 2000

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

| Labor MH/FH | | | Parts \$/FH | | |
|-------------|------|-------|-------------|----------|-----|
| Airframe: | 1.04 | MH/FH | Airframe: | \$ 72.71 | /FH |
| Engine: | 0.40 | | Engine: | \$ 15.00 | |
| Avionics: | 0.30 | | Avionics: | \$ 20.00 | |

| Guaranteed Maintenance Plans | | | | | |
|------------------------------|----|-----------|----|------|----|
| Engine: | No | Avionics: | No | APU: | No |

| Inspections | | Name: | Inspection Cost Total (Current \$) | Inspection Cycl Start (Hrs) | Frequency Hours | Cycles | Years |
|-------------|----|--------------------|---------------------------------------|--------------------------------|--------------------|--------|-------|
| Recurring | 1 | 100 Hour | \$ 120 | | 100 | | |
| | 2 | 600 Hour | \$ 7,200 | | 600 | | |
| | 3 | 12 Month | \$ 7,200 | | | | 1 |
| | 4 | 6000 Hour Extended | \$ 24,000 | | 6000 | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| One Time | 1 | | | | | | |
| | 2 | | | | | | |

| Component Overhaul | | Name: | Overhaul Cost (Current \$) | Prem Removals /1000 HR | Frequency Hours | Cycles | Years |
|--------------------|----|---------------|-------------------------------|---------------------------|--------------------|--------|-------|
| | 1 | M/R Gearbox | \$ 131,172 | | 5000 | | |
| | 2 | T/R Gearbox | \$ 4,544 | | 3600 | | |
| | 3 | Int Gearbox | \$ 5,335 | | 3600 | | |
| | 4 | SPAS Actuator | \$ 7,660 | | 3600 | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

Life Cycle Cost 2000

| Life Limited Parts | | Parts Cost | Prem Removals | Frequency | | |
|--------------------|---------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| 1 | Hex Bolt (2) | \$ 120 | | 4500 | | |
| 2 | Inner Sleeve (4) | \$ 64,486 | | 10200 | | |
| 3 | Laminated Pile Assy | \$ 5,833 | | | 11700 | |
| 4 | Fitted Bolts (2) | \$ 593 | | | 11700 | |
| 5 | Shaft T/R Drive | \$ 4,324 | | 11200 | | |
| 6 | Screw | \$ 11 | | 4800 | | |
| 7 | Bearing Block | \$ 1,623 | | 14000 | | |
| 8 | Fitted Bolt | \$ 526 | | 16800 | | |
| 9 | Hex Bolt | \$ 43 | | 4500 | | |
| 10 | Transmission Case | \$ 177,543 | | 12000 | | |
| 11 | Support Assy | \$ 5,712 | | 12000 | | |
| 12 | Fitting Assy | \$ 1,866 | | 12000 | | |
| 13 | Fitting | \$ 571 | | 12000 | | |
| 14 | Stay Assy (5) | \$ 13,125 | | 12000 | | |
| 15 | Mount Assy (2) | \$ 35,345 | | 12000 | | |
| 16 | Lug (3) | \$ 1,499 | | 12000 | | |
| 17 | Rod Assy | \$ 1,916 | | 12000 | | |
| 18 | Shaft | \$ 4,321 | | 11200 | | |
| 19 | Bevel Gear Shaft | \$ 7,880 | | 10800 | | |
| 20 | Bevel Gear 1 | \$ 5,514 | | 10800 | | |
| 21 | Bevel Gear Shaft | \$ 6,512 | | 13200 | | |
| 22 | Bevel Gear 2 | \$ 4,649 | | 13200 | | |
| 23 | Bevel Gear 3 | \$ 14,515 | | 18500 | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |

| Engine Restoral/Heavy Maintenance | | Total Cost | Prem Removals | Frequency | | |
|-----------------------------------|--------------------------|--------------|---------------|-----------|--------|-------|
| | Name: | (Current \$) | /1000 HR | Hours | Cycles | Years |
| Inspection | 1 H.S.I. | \$ 70,000 | | 1200 | | |
| | 2 Overhaul | \$ 85,000 | | 2400 | | |
| | 3 Accessories | \$ 19,895 | | 2400 | | |
| 4 | | | | | | |
| 5 | | | | | | |
| Replacement | 1 Solid Rivet PT Rotor | \$ 57,700 | | 12000 | 11000 | |
| | 2 GP Rotor Disc | \$ 18,100 | | 5000 | 6300 | |
| | 3 GP Rotor Spacer | \$ 5,550 | | 15000 | 25000 | |
| | 4 GP Rotor Sealing Plate | \$ 9,750 | | 15000 | 25000 | |
| | 5 Titanium Impeller | \$ 34,800 | | 15000 | 25000 | |
| | 6 Axial Compressor | \$ 18,300 | | 15000 | 25000 | |
| | 7 Compressor Shaft | \$ 6,750 | | 15000 | 25000 | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |

Maintenance Cost Data

BK 117B2

Database Date: Jan-00

MEO STAFFING PLAN

Savannah River Site Aviation Operations

| POSITION | NUMBER | GRADE |
|----------------------|--------|-------|
| Chief Pilot | 1 | GS-13 |
| Line Pilots | 9 | GS-12 |
| Chief of Maintenance | 1 | GS-13 |
| Line Mechanic | 1 | GS-12 |
| Program Manager | 1 | GS-13 |
| Records/Analyst | 1 | GS-7 |
| TOTAL | 14 | |

QUALITY ASSURANCE SURVEILLANCE PLAN

| EVALUATION CRITERIA | STANDARD | SANCTION |
|---|--------------|--|
| Aircraft Availability Rate | 98% | Loss of 1/30 th of Incentive Fee for each day when standard is not met. |
| Aircraft Accidents | No Accidents | Cost of physical damages and loss of incentive fee. |
| Personnel Injuries | No Injuries | Negotiated loss of availability |
| Aircraft meet continuous airworthiness requirements | 100% | Negotiated loss of incentive fee or contract termination |
| Flight crews and maintenance personnel qualified and current. | 100% | Negotiated damage or contract termination. |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

| | | | |
|-----------------|--------------|-----------------|----------------|
| <u>Aircraft</u> | <u>Based</u> | <u>Analysis</u> | <u>Version</u> |
| BK-117 | SRS | GOGO COCO | SRS-1 |
| | | Adjusted | Purchase |
| | | 1st Year | |
| | | Values | |

DIRECT OPERATION COSTS PER FLIGHT HOUR (PFH)

| | | | |
|----|---|----------|------------------|
| 1. | Fuel and Lubricants | | \$92.70 |
| 2. | Crew Cost (PFH) | | \$0.00 |
| 3. | Aircraft Lease or Rental | | \$0.00 |
| 4. | Landing Fee and Tie-Down | | \$0.00 |
| 5. | Maintenance and Spares | | |
| a. | Labor cost (\$ per hour multiplied by man-hours PFH) | \$115.43 | |
| b. | Reserve for retirement items | \$158.00 | |
| c. | Reserve for engine overhaul and repairs | \$0.00 | |
| d. | Reserve for major component overhaul and other life-limited items | \$0.00 | |
| e. | Reserve for aircraft refurbishment and miscellaneous | \$0.00 | |
| f. | Unscheduled maintenance | \$0.00 | |
| g. | Total direct maintenance and spares | | \$273.43 |
| 6. | Total Direct Operating Cost PFH | | \$366.13 |
| 7. | Flight Hours for PWS | | 406 |
| 8. | TOTAL DIRECT OPERATING COST (line 6 multiplied by line 7) | | \$148,647 |

FIXED OPERATION ANNUAL COST

| | | | |
|-----|---|----------|------------------|
| 9. | Crew Costs | | \$420,362 |
| 10. | Maintenance Costs | | \$22,712 |
| 11. | Aircraft Lease | | \$0 |
| 12. | Depreciation | | (\$60,223) |
| 13. | Self-Insurance Costs | | |
| a. | Liability | \$8,000 | |
| b. | Casualty | \$57,673 | |
| c. | Total Self-Insurance Cost | | \$65,673 |
| 14. | Operations Overhead | | \$73,370 |
| 15. | Administrative Overhead | | \$68,027 |
| 16. | Cost of Capital or Finance Expense | | \$156,359 |
| 17. | TOTAL FIXED OPERATING ANNUAL COST (sum lines 9 thru 16) | | \$746,280 |
| 18. | TOTAL IN-HOUSE PERFORMANCE COST (line 8 + line 17) | | \$894,927 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON

Aircraft
BK-117

Based
SRS

Analysis
GOGO/COCO
Adjusted

1st Year
Values

Version
SRS-1
Purchase

CONTRACT AVIATION OPERATIONS COST WORKSHEET

| | | |
|-----|--|--------------------|
| 19. | Contract Cost (rate*hrs/yr) | \$1,176,994 |
| 20. | Cost Construction to Meet PWS | |
| a. | Daily availability/guarantee hours | \$0 |
| b. | Additional pilot and crew charges | \$0 |
| c. | Additional maintenance support | \$0 |
| d. | Airframe alteration/equipment installation | \$0 |
| e. | Equipment not provided by Government | \$0 |
| f. | Additional ground service support | \$0 |
| g. | Travel and per diem | \$0 |
| h. | Service equipment mileage | \$0 |
| i. | Airport fees | \$0 |
| j. | Other costs | \$0 |
| 21. | Contract Administration Costs | \$31,994 |
| 22. | One-time Conversion Costs | \$0 |
| 23. | Gain on Disposal/Transfer of Assets (deduct cost) | \$0 |
| 24. | Federal Income Tax (line 19*2% deduct cost) | (\$23,540) |
| 25. | TOTAL CONVERSION & ADMINISTRATIVE COST (sum lines 19-25) | \$1,185,448 |

IN-HOUSE VS CONTRACT PERFORMANCE

10 year analysis

| | Performance periods | | | | TOTAL |
|---|---------------------|-----------|-----------|-------------|--------------|
| | 1st (mil) | 2nd (mil) | 3rd (mil) | add'l (mil) | |
| 26. In-house Performance | \$0.94 | \$0.95 | \$0.96 | \$7.00 | \$9,844,262 |
| 27. Contract Performance | \$1.25 | \$1.28 | \$1.31 | \$10.21 | \$14,054,998 |
| 28. Conversion Differential | | | | | \$68,321 |
| 29. Adjusted Total Cost of Contract Performance | | | | | \$14,123,320 |
| 30. Decision (line 29 minus line 26) | | | | | \$4,279,058 |
| 31. COST COMPARISON DECISION: | Accomplish Work | | | | |
| | In-house | Yes | | | |
| | contract | No | | | |

Analysis Model Developed by
David D. Darling, 303-279-7458
Golden CO 80401,
Version April 2000

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Common Data

| | | | | | | |
|---------------------------------------|-----------|--|--|--|--|---------------|
| Version | SRS-1 | | | | | |
| Aircraft | BK-117 | | | | | |
| Based | SRS | | | | | |
| Hours flown/yr | 406 | | | | | |
| Legs flown/yr | 1600 | | | | | |
| Nights from base/yr | 0 | | | | | |
| Salary Benefits | 32.45% | | | | | |
| Maint labor rate-\$/hr | \$28.43 | | | | | |
| Period of analysis-yrs (max 10 years) | 10 | | | | | |
| Current year | 2000 | | | | | |
| On-line year | 2002 | | | | | |
| Interest rate | 6.100% | | | | | |
| Unadjusted analysis? (e.g. startup) | no | | | | | Adjusted |
| Government owned? | beginning | | | | | yes ending no |
| Government operated? | beginning | | | | | yes ending no |
| Analysis | GOGO to | | | | | COCO |

| | | | |
|--------------------|---------------|--------------|----------|
| Payment instrument | is it "free"? | lease years? | purchase |
| | no | 0 | yes |

Insurance Calculations

| | | | | | |
|--------|------------|---|--------|------------|----------|
| BK-117 | helicopter | 8 | 0.0225 | \$6,000.00 | \$250.00 |
|--------|------------|---|--------|------------|----------|

| aircraft | eng type | seats | eng type | hull ins factor | liability ins base | liability ins plus/seat |
|----------|------------|-------|-------------------|-----------------|--------------------|-------------------------|
| Bell 412 | helicopter | 4 | helicopter | 2.250% | \$6,000 | \$250 |
| BK-117 | helicopter | 8 | jet | 0.300% | \$14,000 | \$250 |
| PC-12 | turboprop | 3 | single eng piston | 1.100% | \$575 | \$250 |
| | | | turboprop | 0.550% | \$8,000 | \$300 |
| | | | Twin eng piston | 1.100% | \$750 | \$250 |

NOTE: MUST SORT DATA (COLS A,B&C) IN ASCENDING ORDER BY COL "A"

Source: Based on PWS requirements.

I

NOTE: MUST SORT DATA (COLS A, B, C & D) IN ASCENDING ORDER BY COL "A"

Source:
GSA Aircraft Management Policy Div.
Transmittal Letter Sep 15, 1997

II

III

IV

Source: Inflation factors; OMB transmittal number 17;Feb 13, 1997.

GS-10

Increment over Basic National Payscale

NOTE: MUST
SORT DATA
(COLS A&B) IN
ASCENDING
ORDER BY COL
"A"

Source: OMP, 1998

V

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Aircraft
BK-117

Based
SRS

Analysis
GOGO|COCO
Adjusted

Version
SRS-1
Purchase

Line-by-Line Front End A-76

| | | START V V | NOTES |
|--------------------------|--|----------------------|-------------------------|
| Fuels & Lubs In 1 | Fuel type | Jet A | |
| | Consumption (gal/hr) | 60 | |
| | % DOD | 100% | |
| | unit cost \$/gal DOD | \$1.50 | |
| | unit cost \$/gal COMM | \$2.00 | |
| | Other consumables | 3% oil | |
| Crew Costs In 2 | Rental rate/day | \$0.00 | |
| | per diem rate | \$0.00 | |
| | Number of crew | 2 | |
| | Grade (for overtime) | GS-12 | |
| | Num hourly crew (a) | 0 | |
| | Straight time hrs/yr | 2087 | |
| | Overtime hrs/yr | 0 | |
| | Overtime factor | 0 | |
| | Num hourly crew (b) | 0 | |
| | Straight time hrs/yr | 0 | |
| | Hourly wage rate | \$0.00 | |
| | Overtime hrs/yr | 0 | |
| | Overtime rate | 0 | |
| | Misc/yr | | |
| | Total variable crew costs | \$0.00 | |
| Lease/Rent In 3 | Lease/Rent Flt Hrs/yr | a plane | 0 |
| | | b plane | 0 |
| | | c plane | 0 |
| | | | |
| | Lease/Rent rates/hr | a plane | \$0.00 |
| | | b plane | \$0.00 |
| | | c plane | \$0.00 |
| | | | |
| | | | |
| | | | |
| Landing/Tie-down In 4 | Landing fee /td | \$0.00 | |
| | Tie-down fee/day | \$0.00 | |
| Maint/Spare In 5 | Maint labor man-hrs PFH | 4.0600 | #poss hrs wk/flt hrs |
| | Res for engine restoration PFH | \$158.00 | SRS Data CE Worksheet |
| | Res for dynamic component & life limited parts PFH | \$0.00 | |
| | misc | \$0.00 | |
| | misc | \$0.00 | |
| | misc | \$0.00 | |
| | misc | \$0.00 | |
| Crew Cost Fixed In 9 | Crew (a) | Grade GS-13 | 50% of Chief Pilot 2 AC |
| | | Time allotment % | 50% |
| | | Training costs \$/yr | \$500.00 |
| | Crew (b) | Grade GS-12 | divided by 50% |
| | | Time allotment % | 450% |
| | | Training costs \$/yr | \$4,500.00 |
| | Crew (c) | Grade GS-12 | 4.5 Pilots |
| | | Time allotment % | AC Cost Evaluator |
| | | Training costs \$/yr | |
| | | | |
| | | | |
| | | | |
| Maint Cost In 10 | Airframe,sys,instmt | hrs PFH | 0.00 |
| | | Avionics | hrs PFH |
| | | misc | hrs PFH |
| | | item (d) | hrs PFH |
| | Material costs | | \$0.00 |
| | Airframe,sys,instmt | \$ PFH | \$55.94 |
| | | Avionics | \$ PFH |
| | | misc | \$ PFH |
| | | item (d) | \$ PFH |
| | | | AC Cost Evaluator |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------------|---------------------|-------------------------|-------------------------|-------------------------|-----------------|
| <u>Aircraft</u> BK-117 | <u>Based</u> SRS | <u>Analysis</u> GOGO | <u>COCO</u> Adjusted | <u>Version</u> SRS-1 | <u>Purchase</u> |
|---------------------------|---------------------|-------------------------|-------------------------|-------------------------|-----------------|

| | | | | |
|--|---------------------|------------------|--------|--|
| | Sched inspect items | | \$0.00 | |
| | Airframe,sys,instmt | hrs PFH | 0.00 | |
| | | item (b) hrs PFH | 0.00 | |
| | | item (c) hrs PFH | 0.00 | |
| | | item (d) hrs PFH | 0.00 | |
| | misc Tot\$ | | \$0.00 | |

| | | | | |
|-------------------------|----------------------|--|----------------|--|
| Aircraft Lease ln 11 | Costs (current year) | | | |
| | Base aircraft | | \$2,435,000.00 | |
| | Avionics | | \$0.00 | |
| | service charge rate | | 0% | |

| | | | | |
|-----------------------|-------------------|--|----------------|--|
| Depreciation ln 12 | Value of aircraft | | | |
| | Sale w/ avionics | | \$3,165,500.00 | |

| | | |
|----------------------|---------------------|---------------------------------|
| Custom Depreciation? | no | If "yes" - list residual values |
| | custom seq (per yr) | |

<<<<< START HERE! 2002

| | | |
|-----------|----|------------------------------|
| Equation? | no | If "yes" - list coefficients |
|-----------|----|------------------------------|

| Equation coef | value |
|---------------|-------|
| a | 0 |
| b | 0 |
| c | 0 |
| d | 0 |
| e | 0 |
| f | 0 |

<<<<< START HERE

FORM; $y = ax^5 + bx^4 + cx^3 + dx^2 + ex + f$

| | | | | |
|---------------------------|------------------|--|--|--|
| Self-Insurance ln 13 c | Auto-Calculation | | | |
|---------------------------|------------------|--|--|--|

| | | | | |
|-----------------------|----------------------------|-------|--------|--|
| Ops Overhead ln 14 | Admin (a) | | | |
| | Grade | GS-14 | | |
| | Time allotment % | | 50% | |
| | Misc accounts \$/yr | | \$0.00 | |
| | Admin (b) | | | |
| | Grade | GS-11 | | |
| | Time allotment % | | 0% | |
| | Misc accounts \$/yr | | \$0.00 | |
| | Admin (c) | | | |
| | Grade | GS-11 | | |
| | Time allotment % | | 0% | |
| | Misc accounts \$/yr | | \$0.00 | |
| | Admin (d) | | | |
| | Grade | GS-9 | | |
| | Time allotment % | | 0% | |
| | Misc accounts \$/yr | | \$0.00 | |
| | Admin (e) | | | |
| | Grade | GS-7 | | |
| | Time allotment % | | 35% | |
| | Misc accounts \$/yr | | \$0.00 | |
| | Hangar rental /yr | | \$0.00 | |
| | Home base tie-down fee /yr | | \$0.00 | |
| | Office space /yr | | \$0.00 | |
| | Office supplies /yr | | \$0.00 | |
| | Utilities per yr | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Aircraft BK-117 | Based SRS | Analysis GOGO | COCO Adjusted | Version SRS-1 Purchase |
|-----------------------------------|------------------------------|--------------------------|-------------------|------------------------------|
| | | Phone | \$0.00 | |
| | | Electricity | \$0.00 | |
| | | Oil/Gas heat | \$0.00 | |
| | | Water | \$0.00 | |
| | | Building maintenance /yr | \$0.00 | |
| | | misc /yr | \$0.00 | |
| Admin Overhead In 15 | Admin (a) | Grade GS-11 | | |
| | | Time allotment % | 100% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (b) | Grade GS-9 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | Admin (c) | Grade GS-7 | | |
| | | Time allotment % | 0% | |
| | | Misc accounts \$/yr | \$0.00 | |
| | | Office space /yr | \$0.00 | |
| | | Office supplies /yr | \$0.00 | |
| | | Utilities /yr | | |
| | | Phone | \$0.00 | |
| | | Electricity | \$0.00 | |
| | | Oil/Gas heat | \$0.00 | |
| | | Water | \$0.00 | |
| | | Building maintenance /yr | \$0.00 | |
| | | misc /yr | \$0.00 | |
| Cost Cap/Finance In 16 | Auto-Calculation | | | |
| Contract Cost In 19 | Contract vari cost PFH | \$682.00 | OAS Source J Hess | |
| | Contract fixed cost PFH | \$2,217.00 | Incls addit crew | |
| Daily Avail/Guar In 20a | Number guar hrs/yr | 0 | | |
| | Hourly guar rate | \$0.00 | | |
| Add'l Pilot Crew In 20b | Hrs/yr for extra crew | 0 | | |
| | Hourly rate | \$0.00 | | |
| Add'l Maint In 20c | Hours/yr added maint | 0 | | |
| Airfrm Alt/Eqpt Install In 20d | Airframe alts | \$0.00 | | |
| | Equipment instal | \$0.00 | | |
| None Gov't Eqpt In 20e | Item a | \$0.00 | | |
| | Item b | \$0.00 | | |
| | Item c | \$0.00 | | |
| Add'l Gnd Suprt In 20f | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| Travel&/diem In 20g | Per diem rates | \$0.00 | | |
| | misc costs | \$0.00 | | |
| Servic Eqpt Mlage In 20h | Equipment costs (not hourly) | | | |
| | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| Airport Fees In 20i | Airport fees (ave) \$/trip | \$0.00 | | |
| Other costs In 20j | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

Aircraft
BK-117

Based
SRS

Analysis
GOGO|COCO
Adjusted

Version
SRS-1
Purchase

| | | | |
|----------------------------------|--------------------------|---------------------|--------|
| Con'tr Admin Costs In 21 | Admin (a) | Grade GS-14 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (b) | Grade GS-13 | |
| | | Time allotment % | 33% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (c) | Grade GS-12 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (d) | Grade GS-9 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| | Admin (e) | Grade GS-9 | |
| | | Time allotment % | 0% |
| | | Misc accounts \$/yr | \$0.00 |
| One-time Conv'n Costs In 22 | Material costs \$/yr | | \$0.00 |
| | | Grade GS-13 | |
| | | Time allocation % | 0% |
| | | Moving | \$0.00 |
| | | Retraining | \$0.00 |
| | | Misc accounts \$/yr | \$0.00 |
| | | Grade GS-12 | |
| | | Time allocation % | 0% |
| | | Moving | \$0.00 |
| | | Retraining | \$0.00 |
| | | Misc accounts \$/yr | \$0.00 |
| | | Grade GS-9 | |
| | | Time allocation % | 0% |
| | | Moving | \$0.00 |
| | | Retraining | \$0.00 |
| | | Misc accounts \$/yr | \$0.00 |
| | Other 1-time costs \$/yr | | \$0.00 |
| Gain on Disp'l/Transfer In 23 | To be sold/trans | | no |
| | Value of aircraft | | \$0.00 |
| | Unpaid balance | | \$0.00 |
| | Cost of disposal | | \$0.00 |
| Conversion Differential In 28 | Auto-Calculation | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|----------------------------|--|---|---|
| \$92.70 | <<<< To line 1 >>>> | Total Costs Fuels and Lubricants (PFH) | |
| Analysis | | GOGO COCO | Adjusted |
| AIRCRAFT | | BK-117 | version |
| Based | | SRS | SRS-1 |
| Fuel type | | Jet A | Purchase |
| Consumption (gal/hr) | | 60 | |
| % DOD | | 100% | |
| unit cost \$/gal | | \$1.50 | |
| | % other | 0% | |
| unit cost \$/gal | | \$2.00 | |
| DOD fuel cost | | \$90.00 | (Consumption (gal/hr) * % DOD * unit cost \$/gal DOD) |
| Other fuel cost | | \$0.00 | (Consumption (gal/hr) * % other * unit cost \$/gal other) |
| Total fuel cost PFH | | \$90.00 | |
| Other consumables | | 3% | \$2.70 |
| Total costs fuels&lubs PFH | | \$92.70 | (Total fuel cost PFH+Tot lub cost PFH) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|---------------|--|-------------------------|--------|------|----------|---|
| \$0.00 | <<<< To line 2 >>>> | Crew Costs (PFH) | | | | |
| | Analysis | | GOGO | COCO | Adjusted | version |
| | AIRCRAFT | BK-117 | | | | SRS-1 |
| | Based | SRS | | | | Purchase |
| | Hours flown/yr | 406 | | | | |
| | Nights from base/yr | 0 | | | | |
| | Rental rate/day | \$0.00 | | | | |
| | Days of car rental | 0 | | | | |
| | per diem rate | \$0.00 | | | | (Nights from base/yr*per diem rate* |
| | Number of crew | 2 | | | | Number of crew+car rate*days rented)/ |
| | | | \$0.00 | PFH | | Hours flown/yr |
| | Grade (for overtime) | GS-12 | | | | |
| | Num hourly crew (a) | 0 | | | | |
| | Straight time hrs/yr | 2087 | | | | |
| | Hourly wage rate | \$29.49 | | | | |
| | Overtime hrs/yr | 0 | | | | |
| | Overtime factor | 0 | | | | (Num hourly crew (a)*(Straight time hrs/yr* |
| | Overtime rate | \$0.00 | | | | Hourly wage rate+Overtime hrs/yr* |
| | | | \$0.00 | PFH | | Overtime rate)/Hours flown/yr) |
| | Num hourly crew (b) | 0 | | | | |
| | Straight time hrs/yr | 0 | | | | |
| | Hourly wage rate | \$0.00 | | | | |
| | Overtime hrs/yr | 0 | | | | |
| | Overtime factor | 0 | | | | (Num hourly crew (a)*(Straight time hrs/yr* |
| | Overtime rate | 0 | | | | Hourly wage rate+Overtime hrs/yr* |
| | | | \$0.00 | PFH | | Overtime rate)/Hours flown/yr) |
| | Misc/yr | | | | | |
| | Total variable crew costs | \$0.00 | | | | |
| | Item b | \$0.00 | | | | |
| | Item c | \$0.00 | | | | |
| | | | \$0.00 | PFH | | ((Item a + Item b + Item c)/hrs) |
| | | | \$0.00 | PFH | | (sum of items above) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|--------------------------|--|---|---|---|
| \$0.00 | <<<< To line 3 >>>> | Total Aircraft Lease or Rental Costs (PFH) | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | BK-117 | | | version |
| Based | SRS | | | SRS-1 |
| Lease/Rent Flt Hrs/yr | | | | Purchase |
| a plane | | 0 | | |
| b plane | | 0 | | |
| c plane | | 0 | | |
| Total Lse/Rnt Hrs/yr | | | | 0 (a plane hrs + b plane hrs + c plane hrs) |
| Lease/Rent rates/hr | | | | |
| a plane | | \$0.00 | | |
| b plane | | \$0.00 | | |
| c plane | | \$0.00 | | |
| Annual Costs | | | | |
| a plane | | \$0.00 | (a plane hrs* a plane rate) | |
| b plane | | \$0.00 | (b plane hrs* b plane rate) | |
| c plane | | \$0.00 | (c plane hrs* c plane rate) | |
| Total Annual \$Ls/Rt | | \$0.00 | (a plane \$/yr + b plane \$/yr + c plane \$/yr) | |
| | | \$0.00 | PFH (Total \$/yr / Total Flt hrs/yr) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|---|------------------------------------|---------------------------------|
| \$0.00 | <<<< To line 4 >>>> | Total Landing Fee and Tie-Down costs (PFH) | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | BK-117 | | | SRS-1 |
| Based | SRS | | | Purchase |
| Hours flown/yr | | 406 | | |
| Legs flown/yr | | 1600 | | |
| Landing fee /td | | \$0.00 | | |
| Total landing fee/yr | | | \$0.00 | (landings*landing fee) |
| Nights from base/yr | | 0 | | |
| Tie-down fee/day | | \$0.00 | | |
| Total tie-down fee/yr | | | \$0.00 | (Nights form base*tie-down fee) |
| | | | PFH ((Tot landing fee + | |
| | | | \$0.00 tot tie-down fee) / hrs/yr) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|--------------------------|---|---|-----------------|----------|--------------------------|----------|
| \$273.43 | <<<< To line 5g >>>> | Total Maintenance and Spares Costs (PFH) | | | | |
| Analysis | | GOGO | COCO | Adjusted | | version |
| AIRCRAFT | BK-117 | | | | | SRS-1 |
| Based | SRS | | | | | Purchase |
| Hours flown/yr | | 406 | | | | |
| Maint labor man-hrsPFH | | 4.0600 | | | | |
| Labor rate \$/hr | | \$28.43 | | | | |
| | | | \$115.43 | PFH (5a) | (Maint labor man-hrsPFH* | |
| | | | | | Labor rate \$/hr) | |
| Res for retirement items | | | \$158.00 | PFH (5b) | | |
| Res for eng overhl &rpr | | | \$0.00 | PFH (5c) | | |
| Res for maj comp overhl | | | \$0.00 | PFH (5d) | | |
| Res for refurb & misc | | | \$0.00 | PFH (5e) | | |
| Unscheduled Maint | | | \$0.00 | PFH (5f) | | |
| | | | \$273.43 | PFH | (sum items 5a-5f) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|---------------------|--|---------------------------|--|
| \$420,361.99 | <<<< To line 9 >>>> | Crew Costs (fixed) | |
| Analysis | | GOGO COCO | Adjusted |
| AIRCRAFT | BK-117 | | version |
| Based | SRS | | SRS-1 |
| Crew (a) | | | Purchase |
| | Grade GS-13 | | |
| | Salary | \$73,198.65 | |
| | Time allotment % | 50% | |
| | Benefits %of salary | 32.45% | |
| | Training costs \$/yr | \$500.00 | |
| | Tot (a) | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | \$48,975.81 | |
| Crew (b) | Grade GS-12 | | |
| | Salary | \$61,555.50 | |
| | Time allotment % | 450% | |
| | Benefits %of salary | 32.45% | |
| | Training costs \$/yr | \$4,500.00 | |
| | Tot (b) | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | \$371,386.19 | |
| Crew (c) | Grade GS-12 | | |
| | Salary | \$61,555.50 | |
| | Time allotment % | 0% | |
| | Benefits %of salary | 32.45% | |
| | Training costs \$/yr | \$0.00 | |
| | Tot (c) | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | | \$0.00 | |
| | | \$420,361.99 | Total crew costs (fixed) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | | |
|------------------------|---------|----------------------|-------------|--------------------------|------|---------------------|-------------------------|
| \$22,711.64 | | <<<< To line 10 >>>> | | Maintenance Costs | | | |
| Analysis | | | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | | | | BK-117 | | | SRS-1 |
| Based | | | | SRS | | | Purchase |
| Hours flown/yr | | | 406 | | | | |
| labor rate \$/hr | | | \$28.43 | | | | |
| Sched maint items | | | | | | | |
| Airframe,sys,instmt | hrs PFH | 0.00 | \$0.00 | | | (hrs*rate a*hrsPFH) | |
| Avionics | hrs PFH | 0.00 | \$0.00 | | | (hrs*rate b*hrsPFH) | |
| misc | hrs PFH | 0.00 | \$0.00 | | | (hrs*rate c*hrsPFH) | |
| item (d) | hrs PFH | 0.00 | \$0.00 | | | (hrs*rate d*hrsPFH) | |
| Material costs | | | | | | | |
| Airframe,sys,instmt | \$ PFH | \$55.94 | \$22,711.64 | | | | |
| Avionics | \$ PFH | \$0.00 | \$0.00 | | | | |
| misc | \$ PFH | \$0.00 | \$0.00 | | | | |
| item (d) | \$ PFH | \$0.00 | \$0.00 | | | | |
| Tot sched maint cost | | | | | | \$22,711.64 | (sum all maint) |
| Sched inspect items | | | | | | | |
| Airframe,sys,instmt | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate a*hrsPFH) | |
| item (b) | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate b*hrsPFH) | |
| item (c) | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate c*hrsPFH) | |
| item (d) | hrs PFH | \$0.00 | \$0.00 | | | (hrs*rate d*hrsPFH) | |
| Tot sched inspect cost | | | | | | \$0.00 | (sum all inspect items) |
| misc Tot\$ | | | | | | \$0.00 | |
| | | | | | | | (Sched main+ |
| | | | | | | \$22,711.64 | Sched inspect) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|--------|---------------------------|----------------|----|----------------|--------------------------|----------|
| \$0.00 | <<<< To line 11 >>>> | Aircraft Lease | | GOGO COCO | Adjusted | version |
| | Analysis | | | | | |
| | AIRCRAFT | BK-117 | | | | SRS-1 |
| | Based | SRS | | | | Purchase |
| | Time period - years | | 10 | | | |
| | Costs (current year) | | | | | |
| | Base aircraft | \$2,435,000.00 | | | | |
| | Avionics | \$0.00 | | | | |
| | Total cost (on-line year) | | | \$2,563,266.06 | (base+avionics inflated) | |
| | Capital charge/yr | | | \$0.00 | (total cost/time period) | |
| | Lease charge/yr | | | | | |
| | depreciation | \$0.00 | | | (wrksht 12) | |
| | interest | \$156,359.23 | | | (wrksht 16) | |
| | Tot lease charge/yr | | | \$156,359.23 | (dep+int) | |
| | Lease/Purchase | | | | | |
| | charge/yr | | | | | |
| | capital | \$256,326.61 | | | (total cost/time period) | |
| | interest | \$156,359.23 | | | (wrksht 16) | |
| | service charge rate | 0% | | | | |
| | service charge | \$0.00 | | | (capital*rate) | |
| | Tot lease /purchase | | | | | |
| | chrg/yr | | | \$412,685.84 | | |
| | Cost free aircraft | | | \$0.00 | (from above) | |
| | | | | \$0.00 | Purchase | 1 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|-----------------------|---------------------|----------|--|
| (\$60,223.39) | <<<< To line 12 >>>> | Depreciation | | |
| Analysis | | GOGO COCO | Adjusted | |
| AIRCRAFT | BK-117 | | | SRS-1 |
| Based | SRS | | | Purchase |
| Time period - years | | 10 | | |
| Value of aircraft | | | no | Custom Depreciation? |
| Purchase w/ avionics | \$2,563,266.06 | | no | Equation? |
| Sale w/ avionics | \$3,165,500.00 | | | |
| Depreciation/yr | | | | |
| | | | | (\$60,223.39) ((Purchase w/ avionics-Sale w/ avionics)/ time period) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|---------------------|-------------------|-----------------------|-------------|-------------------------------------|----------|
| \$65,673.49 | | <<<< To line 13c >>>> | | Self-Insurance | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | BK-117 | | | | SRS-1 |
| Based | SRS | | | | Purchase |
| Value of aircraft | | \$2,563,266.06 | | | |
| Number of seats | | 8 | | | |
| Insurance factors | | | | | |
| | hull | 0.0225 | | (fm common data cht) | |
| | liability (base) | \$6,000.00 | | (fm common data cht) | |
| | liability (/seat) | \$250.00 | | (fm common data cht) | |
| Tot cost hull | | | \$57,673.49 | (value of aircraft*hull ins factor) | |
| Liability | | | | | |
| | base | \$6,000.00 | | | |
| Tot per seat adder | | \$2,000.00 | | (liability ins*num of seats) | |
| Tot cost liability | | | \$8,000.00 | (base+seat adder) | |
| Total self ins cost | | | \$65,673.49 | (Tot hull ins+Tot liability ins) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|------------------------|---|----------------------------|------------------|-----------------|---|
| \$73,370.06 | <<<< To line 14 >>>> | Operations Overhead | GOGO COCO | Adjusted | version |
| Analysis | | | | | SRS-1 |
| AIRCRAFT | BK-117 | | | | Purchase |
| Based | SRS | | | | |
| Admin (a) | | | | | |
| | Grade GS-14 | | | | |
| | Salary | \$86,499.22 | | | |
| | Time allotment % | 50% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (a) | | \$57,284.11 | | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (b) | | | | | |
| | Grade GS-11 | | | | |
| | Salary | \$51,360.71 | | | |
| | Time allotment % | 0% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (b) | | \$0.00 | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| Admin (c) | | | | | |
| | Grade GS-11 | | | | |
| | Salary | \$51,360.71 | | | |
| | Time allotment % | 0% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (c) | | \$0.00 | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| Admin (d) | | | | | |
| | Grade GS-9 | | | | |
| | Salary | \$42,447.44 | | | |
| | Time allotment % | 0% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (d) | | \$0.00 | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| Admin (e) | | | | | |
| | Grade GS-7 | | | | |
| | Salary | \$34,699.78 | | | |
| | Time allotment % | 35% | | | |
| | Benefits %of salary | 32.45% | | | |
| | Misc accounts \$/yr | \$0.00 | | | |
| | Tot (e) | | \$16,085.95 | | (Salary*Time allotment %+Benefits % of salary+Misc) |
| Tot personnel | | | | \$73,370.06 | (sum personnel items) |
| Hanger rental | | \$0.00 | | | |
| Home base tie-down fee | | \$0.00 | | | |
| Office space | | \$0.00 | | | |
| Office supplies | | \$0.00 | | | |
| Utilities | | | | | |
| | Phone | \$0.00 | | | |
| | Electricity | \$0.00 | | | |
| | Oil/Gas heat | \$0.00 | | | |
| | Water | \$0.00 | | | |
| Building maintenance | | \$0.00 | | | |
| misc | | \$0.00 | | | |
| Tot non-personnel | | | | \$0.00 | (sum non-persnrl items) |
| | | | | \$73,370.06 | Total ops ovrrhd costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------------|---|------------------|--------------------|---|
| \$68,027.26 | <<<< To line 15 >>>> Administrative Overhead | GOGO COCO | Adjusted | version |
| Analysis | BK-117 | | | SRS-1 |
| AIRCRAFT | SRS | | | Purchase |
| Based | | | | |
| Admin (a) | Grade GS-11 | | | |
| | Salary | \$51,360.71 | | |
| | Time allotment % | 100% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (a) | | \$68,027.26 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (b) | Grade GS-9 | | | |
| | Salary | \$42,447.44 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (b) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| Admin (c) | Grade GS-7 | | | |
| | Salary | \$34,699.78 | | |
| | Time allotment % | 0% | | |
| | Benefits %of salary | 32.45% | | |
| | Misc accounts \$/yr | \$0.00 | | |
| | Tot (c) | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) |
| | Tot personnel | | \$68,027.26 | |
| Office space | | \$0.00 | | |
| Office supplies | | \$0.00 | | |
| Utilities | | | | |
| | Phone | \$0.00 | | |
| | Electricity | \$0.00 | | |
| | Oil/Gas heat | \$0.00 | | |
| | Water | \$0.00 | | |
| Building maintenance | | \$0.00 | | |
| misc | | \$0.00 | | |
| Tot non-personnel | | | \$0.00 | |
| | | | \$68,027.26 | Total admin overhead costs |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------------|----------------------|---|-------------|----------|
| \$93,590.99 | <<<< To line 16 >>>> | Cost of Capital or Finance Expense | | |
| | | GOGO COCO | | |
| Analysis | | | Adjusted | version |
| AIRCRAFT | BK-117 | | | SRS-1 |
| Based | SRS | | | Purchase |
| Value of aircraft | | \$2,563,266.06 | | |
| Time period - years | | 10 | | |
| Interest rate | | 6.100% | | |
| Annual levelized finan cost | | | \$93,590.99 | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|-------------------------|---|-----------------------------------|------|--------------|----------|
| \$1,176,994.00 | <<<< To line 19 >>>> | Total Contract Cost | | | |
| Analysis | | GOGO | COCO | Adjusted | version |
| AIRCRAFT | BK-117 | | | | SRS-1 |
| Based | SRS | | | | Purchase |
| Hours flown/yr | | 406 | | | |
| Contract vari cost PFH | | \$682.00 | | | |
| Contract fixed cost PFH | | \$2,217.00 | | | |
| Total cost PFH | | \$2,899.00 | | (vari+fixed) | |
| Total cost | | \$1,176,994.00 (tot cost PFH*Hrs) | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|-----------------------|------------------------------------|----------|----------|
| \$0.00 | <<<< To line 20a >>>> | Daily Availability/Guarantee hours | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | BK-117 | | | SRS-1 |
| Based | SRS | | | Purchase |
| Number guar hrs/yr | | 0 | | |
| Hourly guar rate | | \$0.00 | | |
| Tot cost of guarantee | | \$0.00 (guar hrs/yr*hourly rate) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------------|--|--|----------|----------|
| \$0.00 | <<<< To line 20b >>>> | Additional Pilot and Crew Charges | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | BK-117 | | | SRS-1 |
| Based | SRS | | | Purchase |
| Hrs/yr for extra crew | | 0 | | |
| Hourly rate | | \$0.00 | | |
| Tot cost extra crew | | \$0.00 (hrs/yr*hourly rate) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|--|---------------------------------------|----------|----------|
| \$0.00 | <<<< To line 20c >>>> | Additional Maintenance Support | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | BK-117 | | | SRS-1 |
| Based | SRS | | | Purchase |
| Hours/yr added maint | | 0 | | |
| Hourly rate | | \$28.43 | | |
| Tot added maint cost | | \$0.00 (hrs/yr*hourly rate) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|--|--|---|----------|
| \$0.00 | <<<< To line 20d >>>> | Airframe Alterations/Equipment Installation | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | BK-117 | | | SRS-1 |
| Based | SRS | | | Purchase |
| Time period - yrs | | 10 | | |
| Airframe alts | | \$0.00 | | |
| Equipment instal | | \$0.00 | | |
| tot alt/install cost | | | \$0.00 (airframe alts+equip instal)/yrs | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------------------|--|--|---|--|----------|
| \$0.00 | <<<< To line 20e >>>> | | Equipment not Provided by Government | | |
| Analysis | | GOGO COCO | Adjusted | | version |
| AIRCRAFT | BK-117 | | | | SRS-1 |
| Based | SRS | | | | Purchase |
| Time period - yrs | | 10 | | | |
| | Item a | \$0.00 | | | |
| | Item b | \$0.00 | | | |
| | Item c | \$0.00 | | | |
| tot equipment cost | | \$0.00 (item a+Item b+item c)/yrs | | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------------------------|-----------------------|--------|-----------------------------------|----------|----------|
| \$0.00 | <<<< To line 20f >>>> | | Additional Ground Service Support | | |
| Analysis | | | GOGO COCO | Adjusted | version |
| AIRCRAFT | | BK-117 | | | SRS-1 |
| Based | | SRS | | | Purchase |
| | item a | | \$0.00 | | |
| | item b | | \$0.00 | | |
| | item c | | \$0.00 | | |
| tot grnd serv spprt cost | | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | |
|--------|-------------------------|--------|--------------------------------|----------|----------|
| \$0.00 | <<<< To line 20g >>>> | | Travel and per Diem | | |
| | Analysis | | GOGO COCO | Adjusted | version |
| | AIRCRAFT | BK-117 | | | SRS-1 |
| | Based | SRS | | | Purchase |
| | Nights from base/yr | | 0 | | |
| | Per diem rates | | \$0.00 | | |
| | misc costs | | \$0.00 | | |
| | tot trav&per diem costs | | \$0.00 (#nights*per diem+misc) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | |
|------------------------------|-----------------------|----------------------------------|----------|
| \$0.00 | <<<< To line 20h >>>> | Service Equipment Mileage | |
| Analysis | | GOGO COCO | Adjusted |
| AIRCRAFT | BK-117 | | version |
| Based | SRS | | SRS-1 |
| Equipment costs (not hourly) | | | Purchase |
| | item a | \$0.00 | |
| | item b | \$0.00 | |
| | item c | \$0.00 | |
| tot eqpt costs | | \$0.00 (item a+item b+item c) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------------|--|----------------------------|----------|----------|
| \$0.00 | <<<< To line 20i >>>> | Airport Fees | | |
| Analysis | | GOGO COCO | Adjusted | version |
| AIRCRAFT | BK-117 | | | SRS-1 |
| Based | SRS | | | Purchase |
| Legs flown/yr | | 1600 | | |
| Airport fees (ave) \$/trip | | \$0.00 | | |
| tot airport/yr | | \$0.00 (trips/yr*\$ /trip) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|-----------------|-----------------------|-------------------------------|-------------|----------|
| \$0.00 | <<<< To line 20j >>>> | | Other Costs | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | BK-117 | | | version |
| Based | SRS | | | SRS-1 |
| Other costs | | | | Purchase |
| | item a | \$0.00 | | |
| | item b | \$0.00 | | |
| | item c | \$0.00 | | |
| tot other costs | | \$0.00 (item a+item b+item c) | | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|--------------------|---|--------------------------------------|------|-------------|--|--|
| \$31,994.03 | <<<< To line 21 >>>> | Contract Administrative Costs | | | | |
| Analysis | | GOGO | COCO | Adjusted | version | |
| AIRCRAFT | BK-117 | | | | SRS-1 | |
| Based | SRS | | | | Purchase | |
| Admin (a) | | | | | | |
| | Grade GS-14 | | | | | |
| | Salary | \$86,499.22 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (a) | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Admin (b) | | | | | | |
| | Grade GS-13 | | | | | |
| | Salary | \$73,198.65 | | | | |
| | Time allotment % | 33% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (b) | | | \$31,994.03 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Admin (c) | | | | | | |
| | Grade GS-12 | | | | | |
| | Salary | \$61,555.50 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (c) | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Admin (d) | | | | | | |
| | Grade GS-9 | | | | | |
| | Salary | \$42,447.44 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (d) | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| Admin (e) | | | | | | |
| | Grade GS-9 | | | | | |
| | Salary | \$42,447.44 | | | | |
| | Time allotment % | 0% | | | | |
| | Benefits %of salary | 32.45% | | | | |
| | Misc accounts \$/yr | \$0.00 | | | | |
| | Tot (e) | | | \$0.00 | (Salary*Time allotment %+ Benefits %of salary+Misc) | |
| | | | | \$31,994.03 | Total admin overhead costs | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|---------------------------------------|---|---------------|---------------------------|--|
| \$0.00 | <<<< To line 22 >>>> One Time Conversion Costs | | | |
| Analysis | GOGO COCO | Adjusted | version | |
| AIRCRAFT | BK-117 | | SRS-1 | |
| Based | SRS | | Purchase | |
| Time period - yrs | 10 | | | |
| Material costs \$/yr | | \$0.00 | | |
| Grade GS-13 | | | | |
| Time allocation % | 0% | | | |
| Severance | \$73,198.65 | | | |
| Moving | \$0.00 | | | |
| Retraining | \$0.00 | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (a) | | \$0.00 | (sever+move+retrain+misc) | |
| Grade GS-12 | | | | |
| Time allocation % | 0% | | | |
| Severance | \$61,555.50 | | | |
| Moving | \$0.00 | | | |
| Retraining | \$0.00 | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (b) | | \$0.00 | (sever+move+retrain+misc) | |
| Grade GS-9 | | | | |
| Time allocation % | 0% | | | |
| Severance | \$42,447.44 | | | |
| Moving | \$0.00 | | | |
| Retraining | \$0.00 | | | |
| Misc accounts \$/yr | \$0.00 | | | |
| Tot (c) | | \$0.00 | (sever+move+retrain+misc) | |
| Other 1-time costs \$/yr | | \$0.00 | | |
| Total conversion costs | | \$0.00 | (sum of above col) | |
| Annual allocation of conversion costs | | \$0.00 | (Tot costs/yr) | |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | |
|----------------------|---|--|------|------------------------------------|
| \$0.00 | <<<< To line 23 >>>> | Gain on Disposal/Transfer of Assets | | |
| Analysis | | GOGO | COCO | Adjusted |
| AIRCRAFT | BK-117 | | | version |
| Based | SRS | | | SRS-1 |
| Time period - yrs | | 10 | | Purchase |
| To be sold/trans | | no | | |
| Value of aircraft | | \$0.00 | | |
| Unpaid balance | | \$0.00 | | |
| Equity in aircraft | | | | \$0.00 (value-unpaid bal) |
| Cost of disposal | | | | \$0.00 |
| Tot gain | | | | \$0.00 (equity - cost of disposal) |
| Gain per time period | | | | \$0.00 (tot gain/yrs) |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| | | | | | | |
|-------------------------|---|--------------------------------|--------------|-----------------------|----------------|------------|
| \$5,617.59 | <<<< To line 28 >>>> | Conversion Differential | | | | |
| Analysis | | GOGO COCO | Adjusted | | version | |
| AIRCRAFT | BK-117 | | | | SRS-1 | |
| Based | SRS | | | | Purchase | |
| Time period - years | | 10 | | | | |
| Crew cost PFH | | \$0.00 | | | | |
| Hours flown/yr | | 406 | | | | |
| Tot crew cost (vari) | | | \$0.00 | (Crew cost PFH*hours) | | |
| Tot crew cost (fix) | | | \$420,361.99 | (line 9) | | |
| Ops personnel cost | | | \$73,370.06 | (wksht 14) | | |
| Adm personnel cost | | | \$68,027.26 | (wksht 15) | | |
| Tot personnel (Convert) | | | | | \$561,759.31 | () |
| New cap acqustn costs | | | | | \$2,563,266.06 | (wksht 11) |
| | A | \$0.00 | | | | |
| | B | \$5,617.59 | | | | |
| | C | \$64,081.65 | | | | |
| | D | \$5,617.59 | | | | |
| | | | | | | \$5,618 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Non-Adjusted XOXO Costs | | | | | |
|-------------------------|------------------------|-----------------|------------------------------|------------------------------|--|
| | AIRCRAFT Based | BK-117 SRS | version SRS-1 Purchase | | |
| | Gov't cost | Contractor cost | | | |
| | 1st yr | 1st yr | | | |
| variable costs PFH | \$366 | \$703 | | | |
| fixed cost PFH | \$1,838 | \$2,217 | | | |
| total costs PFH | \$2,204 | \$2,920 | | | |
| Flight Hours per Year | 406 | | | 10 year analysis | |
| | Costs per flight hr | Total Costs | Difference from GOGO | Life of Model Total costs | Life of Model Average cost per flight hr |
| | 1st yr | 1st yr | 1st yr | | |
| GOGO | \$2,204 | \$894,927 | \$0 | \$9,844,262 | \$2,425 |
| COGO | \$2,583 | \$1,048,749 | \$153,822 | \$12,447,722 | \$3,066 |
| GOCO | \$2,541 | \$1,031,626 | \$136,699 | \$11,451,538 | \$2,821 |
| COCO | \$2,920 | \$1,185,448 | \$290,521 | \$14,054,998 | \$3,462 |

A-76 AIRCRAFT AND AVIATION COST COMPARISON WORKSHEET

| Decision Line | | | | | | |
|-------------------|-----------------------|--|---|---|---|----|
| AIRCRAFT Based | | BK-117 SRS | version SRS-1 Purchase | | 10 year analysis | |
| Initial Structure | Terminal Structure | First Year Conversion Differential | First Year Review Line (positive value favors col 1 structure) | Life of Model Conversion Differential | Life of Model Decision Line (positive value favors col 1 structure) | |
| GOGO | to COCO | \$5,618 | \$296,138 | \$68,321 | \$4,279,058 | |
| COCO | to COCO | \$5,618 | \$142,317 | \$68,321 | \$1,675,598 | |
| GOCO | to COCO | \$0 | \$153,822 | \$0 | \$2,603,460 | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| GOGO | to GOCO | \$5,618 | \$142,317 | \$68,321 | \$1,675,598 | |
| COCO | to GOCO | \$69,699 | \$52,577 | \$827,547 | (\$168,636) | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| COCO | to GOCO | \$64,082 | (\$89,740) | \$759,226 | (\$1,844,234) | |
| GOGO | to COGO | \$0 | \$153,822 | \$0 | \$2,603,460 | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| GOCO | to COGO | \$5,618 | \$22,740 | \$68,321 | \$1,064,505 | |
| COCO | to COGO | \$5,618 | (\$131,081) | \$68,321 | (\$1,538,955) | |
| GOCO | to GOCO | \$0 | \$0 | \$0 | \$0 | NA |
| COCO | to GOGO | \$64,082 | (\$89,740) | \$759,226 | (\$1,844,234) | |
| GOCO | to GOGO | \$5,618 | (\$131,081) | \$68,321 | (\$1,538,955) | |
| COCO | to GOGO | \$69,699 | (\$220,822) | \$827,547 | (\$3,383,189) | |